

PATTON, BOGGS & BLOW
2550 M STREET, N.W.
WASHINGTON, D.C. 20037-1350
(202) 457-6000
TELECOPIER: 457-6315
TRT TELEX: 197780

JAMES R. PATTON, JR.
GEORGE BLOW
JOSEPH L. BRAND
THOMAS HALE BOGGS, JR.
TIMOTHY J. MAY
HARRY A. INMAN
ELLIOT H. COLE
J. GORDON ARBUCKLE
WILLIAM C. FOSTER
DAVID C. TODD
RICHARD A. EARLE
ERNEST S. CHRISTIAN, JR.
ROBERT H. KOEHLER
DAVID B. ROBINSON
JOHN H. VOGEL
ALLAN ABBOT TUTTLE
BART S. FISHER
JAMES G. O'HARA
JOHN L. OBERDORFER
LANNY J. DAVIS
DOMENICO DE SOLE
TIMOTHY A. VANDERVER, JR.
JOHN F. WOODS
TIMOTHY A. CHORBA
RONALD H. BROWN
MIDDLETON A. MARTIN
GARRET G. RASMUSSEN

JAMES B. CHRISTIAN, JR.
DAVID E. DUNN
RONALD S. LIEBMAN
J. KIRK WADE
STUART M. PAPE
JOE ROBERT REEDER
STEVEN M. SCHNEEBBAUM
CLIFF MASSA III
SHAOU L. ASLAN
DONALD V. MOOREHEAD
FRANK R. SAMOLIS
DON A. ALLEN
DUANE A. SILER
RICHARD M. STOLBACH
KATHARINE R. BOYCE
GEORGE M. BORABABY
JEFFREY T. SMITH
GEORGE J. SCHUTZER
THOMAS H. CATALANO
SCOTT NASON STONE
THEODORE G. KRONMILLER
HARRY R. HUGHES*
JOHN A. MCAG, JR.*
MICHAEL D. ESCH
FLORENCE W. PRIOLEAU
JUDITH BARTHOFF
JOHN F. JONAS

250 WEST PRATT STREET
BALTIMORE, MARYLAND 21201
(301) 659-5600

700 RALEIGH FEDERAL SAVINGS
BANK BUILDING
RALEIGH, NORTH CAROLINA 27602
(919) 832-4111

104 NORTH ELM STREET
GREENSBORO, NORTH CAROLINA 27420
(919) 273-1733

101 EAST KENNEDY BOULEVARD
TAMPA, FLORIDA 33602
(813) 222-8888

ANDREW S. NEWMAN
RUSSELL V. RANDLE
JEAN V. MACHARG
JEFFREY L. TURNER
CHARLES E. TALISMAN
IRA A. FISHMAN
PAUL A. J. WILSON
DEAN M. DILLEY
DEBORAH F. NEIPRIS
JONATHAN N. HALPERN
JOHN C. MARTIN
DEBORAH M. LODGE
MARY ELIZABETH BOSCO
MITCHELL R. BERGER
KATHLEEN M. NILLES
WILLIAM F. J. ARDINGER
KENNETH L. GLAZER
PHILLIP L. ROBINSON
ROSS E. EICHBERG

JUDITH BARNETT
DANIEL E. WALTZ
RACHEL A. SHUB
JAMES R. STUART, III
KEVIN B. DWYER
STEVEN O. FARKAS
CRAIG V. WITCHER*
JOSEPH S. MAHALEY
LISA ANNE BANKS*
ELLIOTT P. LAWS
MARTHA M. KENDRICK
PETER D. ROBERTSON
R. BRUCE PHILLIPS*
ELI GOTTSDIENER*
DANIEL M. FLORES*
DAVID J. FARBER*
CHANG S. OH*
JOHN F. FITHIAN
RICHARD E. MESSICK*
GERALD J. LAPORTE
M. DIANNE SULLIVAN*

OF COUNSEL

WILLIAM D. HATHAWAY
ALEXANDER M. LANKLER
PENELOPE S. FARTHING
STEPHEN H. LACHTER
JOHN S. WHITE
JOSEPH A. KLAUSNER*
LANSING B. LEE, III*

*Not admitted in D.C.
*Admitted in Maryland only

WRITER'S DIRECT DIAL

December 9, 1988

(202) 457-5282

FEDERAL EXPRESS

Carol T. Baschon, Esq.
Assistant Regional Counsel
Hazardous Waste Law Branch
U.S. Environmental Protection Agency
345 Courtland Street, N.E.
Atlanta, GA 30365

Re: Carrier Air Conditioning
Collierville, Tennessee

Dear Ms. Baschon:

This letter responds to the Environmental Protection Agency's (EPA's) letter dated November 10, 1988, to Mr. Jess Walrath, Jr. of Carrier Corporation in connection with the above-referenced site. As we discussed by telephone last week, we represent Carrier in connection with the environmental issues raised by the November 10, 1988 letter. Mr. Walrath informs us he received this letter on Friday, November 18, making this response due out on Friday, December 9, 1988, 21 days after receipt.

The EPA letter raises several issues which this letter addresses including:

(A) responding to EPA's request for information pursuant to § 104(e) of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. § 9604(e), and pursuant to § 3007 of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6927;

(B) the Agency's interest in negotiating an agreement with Carrier whereby Carrier conducts a remedial investigation and Feasibility Study (RI/FS) at the site.



10626511

PATTON, BOGGS & BLOW

Carol T. Baschon, Esq.
December 9, 1988
Page 2

This letter transmits documents requested by the information request. Because of the relatively short response time provided for in the request, and because Mr. Walrath has been travelling overseas for most of this time period, it is possible that there are additional responsive documents not yet located. Mr. Walrath and the legal department provided the enclosed documents prior to his departure overseas. If additional unprivileged responsive documents are located, they will be provided to EPA. We think that the enclosed documents do show Carrier's interest in the property, which appears to be the thrust of the questions.

The answers to the questions are as follows:

A. Responses to Information Requests.

1. Identify the person(s) answering these Requests on behalf of the addressee.

RESPONSE: The information reported in this response was provided by Mr. Jess Walrath, Manager of Environmental Assurance, and by Mr. Gerald Bailey, Director of Environmental and Health Services, and by Arthur W. Kanerviko, Jr., Esq., Assistant General Counsel, all of Carrier Corporation.

2. For each and every Request below, identify all documents consulted, examined, or referred to in the preparation of the answer, and provide time and correct copies of all such documents.

RESPONSE: A list of the documents is attached to this letter as attachment A, and copies of the listed documents are transmitted herewith.

3. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any Request contained herein or who may be able to provide additional responsive documents, identify such persons and the additional information or documents they may have.

RESPONSE: Because the questions pertain to the nature of leases and ownership interest in real property, Carrier believes that the best evidence of these leases and interests are the documents provided herewith. In addition, the negotiations concerning the transactions were handled through counsel, so Carrier believes that there will not be additional knowledgeable people who are not subject to the attorney-client privilege.

PATTON, BOGGS & BLOW

Carol T. Baschon, Esq.
December 9, 1988
Page 3

4. Describe the property lease of the site between Carrier and the Town of Collierville, providing copies of each lease entered into between the parties.

RESPONSE: See the enclosed documents, especially the March 1967 lease, and April 1982 lease addendum.

5. Describe Carrier's purchase of the site from the Town of Collierville, providing copies of all documents related to that sale.

RESPONSE: See the enclosed documents, especially the July 6, 1987 letter exercising Carrier's option to purchase, and documented referenced therein.

6. Were/Are there any agreements between Carrier and the Town of Collierville concerning the disposal, storage, or transportation of hazardous substances at the site?

RESPONSE: Upon information and belief, a verbal agreement with the City of Collierville engineer was reached in connection with establishment of the lagoon. See Sept. 28, 1977 Beaupre memo.

B. Response to RI/FS Inquiry

As we discussed last week by telephone, Carrier is interested in negotiating in good faith to achieve a satisfactory resolution of the questions surrounding alleged contamination at the Collierville site. Indeed, Carrier has already worked for over two years with the State of Tennessee to produce a detailed site investigation report, dated October 18, 1988. A copy of this lengthy three volume report is transmitted herewith. Additionally, as stated in Carrier's August 1988 comments opposing EPA's proposal to list Collierville on the National Priority List (NPL), Carrier had reached agreement in principle with the City of Collierville concerning the replacement of Collierville's wells.

Because these state and local efforts are at a relatively advanced stage, Carrier believes that treatment of this site on the basis of EPA's proposed administrative order is inappropriate, and might delay any remedial work and lead to unnecessary and duplicative testing. For similar reasons, Carrier believes that this site is not appropriately addressed in the context of CERCLA. Rather, as explained in EPA's proposed

PATTON, BOGGS & BLOW

Carol T. Baschon, Esq.

December 9, 1988

Page 4

revisions to the National Contingency Plan (NCP), and in Carrier's comments on the proposed NPL listing, this site is one which should be deferred from placement on the NPL and instead remedied under other authority -- either RCRA and the Safe Drinking Water Act, or under appropriate Tennessee law, or some combination thereof.

We believe that Carrier's work to date with the State of Tennessee is ample demonstration of good faith and our willingness to conduct the appropriate work. In our view, not only EPA and Carrier, but the State of Tennessee and City of Collierville will ultimately need to be involved in this process if we are to avoid inconsistent and duplicative requirements. We are interested in the prompt resolution of concerns about this site, and believe that an early meeting with EPA Region IV officials to discuss appropriate means to do so would be productive. We will be calling soon to arrange such a meeting.

Sincerely,

A handwritten signature in cursive script, reading "Russell V. Randle".

Russell V. Randle
Counsel to Carver Corporation

RVR/tlc
Enclosure

Attachment A to December 9, 1988 Letter
to Carol Baschon, Esq., EPA Region IV,
on behalf of Carrier Corporation

This attachment lists documents transmitted with Carrier's § 104(e) response concerning the Collierville, Tennessee site. Carrier believes that it has located the responsive documents concerning the property interest and leasehold interests in the Collierville property (questions 4 and 5) and concerning any agreement with the City of Collierville about disposal, storage, or transportation of hazardous substances (question 6). As indicated in the transmittal letter, Carrier believes the lease and purchase agreements are the best evidence of their terms. Carrier has not undertaken to search for or provide correspondence by counsel concerning the transactions, on the ground that such correspondence is not covered by the requests, and is subject to the attorney-client privilege in any event. Carrier believes that it has provided the relevant unprivileged documents covered by this request. In the event Carrier discovers additional responsive documents, Carrier reserves the right to supplement this response.

The documents provided are:

- (1) July 6, 1987 Letter from Donald Gulick, Carrier Corporation, to the Honorable Herman W. Cox, Mayor of Collierville (2 pp.);^{1/}

^{1/} The survey map referenced in that letter is not provided herewith because the Site Investigation Report already contains detailed maps of the site.

- (2) Warranty Deed (3 pp.);
- (3) Bill of Sale dated 14 December 1987 for goods, chattels, and equipment (5 pp.);
- (4) Title Insurance Policy (including property description) (7 pp.);
- (5) March 1967 Lease (24 pp.);
- (6) Lease Addendum (7 pp.);
- (7) September 28, 1977 Memo from Roger Beaupre to Roger Lewandowski (1 p.);
- (8) Carrier-Collierville Site Investigation Report Volume 1;
- (9) Carrier-Collierville Site Investigation Report Appendices 1-11 (Volume II);
- (10) Carrier-Collierville Site Investigation Report Appendices 12-14 (Volume III).

H. W. Cox, Jr., Mayor

H. Tom Brooks, Vice Mayor
John E. Meeks, Register
Jack Everett, Alderman
Jimmy A. Lott, Alderman
Sidney E. Turnipseed, Alderman



Jerry E. Robinson
City Administrator

Mary Lee Burley
City Clerk

Town of Collierville

COLLIERVILLE, TENNESSEE 38017

November 29, 1988

Carol F. Baschon
Assistant Regional Counsel
Hazardous Waste Law Branch
U.S. Environmental Protection Agency
345 Courtland Street, N.E.
Atlanta, Georgia 30365

Dear Ms. Baschon:

This letter and its enclosures is intended to be the Town of Collierville's response to the "PRP" letter of Patrick M. Tobin of November 7, 1988. Specifically, it is intended to be the Town of Collierville's response to the mandate of page four (4) of the letter by providing the information requested in Attachment A. All of the items of Attachment A will be addressed by reference to their number on Attachment A.

1. Jerry E. Robinson
City Administrator
Town of Collierville
101 Walnut Street
Collierville, Tennessee 38017 (901) 853-3200
2. -- Resolution authorizing the issuance of
\$5,000,000.00 Municipal Industrial Building
Revenue Bonds, Series 1967 (Carrier).

-- "Exhibit B", INDENTURE OF MORTGAGE AND DEED OF
TRUST, dated as of March 1, 1967, between the town
incorporated as "Mayor and Aldermen of
Collierville, Tennessee," (the "Municipality"),
and First American National Bank of Nashville,
Nashville, Tennessee (the "Trustee"), a banking
association organized and existing under the laws
of the United States of America.

-- "Exhibit A", the lease between the Town of
Collierville and the Carrier Corporation.

-- Addendum to the lease between the Town of Collierville and the Carrier Corporation.

-- "Site Investigation Plan for the Carrier Air Conditioning Co. Collierville, TN", prepared by Environmental and Safety Designs, Inc. Memphis, TN and Dames & Moore, Cincinnati, OH."

-- Closing Documents for conveyance of Carrier Air Conditioning site to the Town of Collierville, Tennessee, consisting of: Warranty Deed, Owner's Affidavit, Release, and Bill of Sale.

3. The Town of Collierville knows of no other person or persons who may be able to provide a more detailed or complete response or who may be able to provide additional responsive documents.
4. The Town of Collierville leased the site to the Carrier Corporation in March, 1967 for an initial term of March, 1967 through February, 1987. The arrangements of the purchase and lease of the site were those of bond issuances of \$5,000,000.00 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier). The lease was amended in April, 1982 to remove the property on the site containing the Town's wells and a fifty (50) feet egress and ingress easement to the wells. Copies of the lease and amendment are enclosed.
5. The site was conveyed to Carrier Corporation on December 14, 1987, per the terms of the lease and bond issue previously noted above. Copies of the closing documents are enclosed.
6. No.
7. The Town of Collierville is aware that spills of a hazardous substance, trichloroethylene, did occur at the Carrier Air Conditioner Site, Collierville, Tennessee; the Town of Collierville is also aware that the Carrier Corporation is taking steps to clean up these spills.

The details of the spills are contained in a report, entitled "Site Investigation Plan for the Carrier Air Conditioning Co. Collierville, TN" prepared by Environmental and Safety Designs, Inc. Memphis, TN and Dames & Moore, Cincinnati, OH. A copy of this report is enclosed.

The Town of Collierville believes that the Carrier Air Conditioning Co. is in the process of developing plans to accomplish the clean up of the

spills of Trichloroethylene at the site; the Town further believes that as soon as these plans are developed the Carrier Air Conditioning Co. will advise the Town of their plans and allow the Town the opportunity to comment on the plans.

The Town of Collierville believes that this letter and its enclosures satisfies the mandate of page four (4) of the letter from the Environmental Protection Agency of November 7, 1988.

If further information is requested please don't hesitate to call.

Thanks,



Jerry E. Robinson
City Administrator

Enclosures

Copy: Mayor and Board of Aldermen
Burch, Porter & Johnson, Attorneys
James Mathis, Director of Utilities
Lauren Heffelman, MTAS
Carrier Corporation
Fisher, Phillips & Arnold

T 51466 + 22 copy
1

The Board of Mayor and Aldermen of the Town of Collierville, Shelby County, Tennessee, met in called session at its regular meeting place in the Town Hall at 7:30 o'clock p.m., on March 28, 1967, with A. G. Neville, Jr., Mayor, and the following Aldermen present:

Herman Wright Cox, Jr.
Robert H. Humphreys
Fred Médling
W. M. Newby
James Russell
Everett Warr

and the following Aldermen absent:

None

* * * *

(Other Business)

The following resolution was thereupon introduced by

Herman Wright Cox, Jr. and read in full:

A RESOLUTION authorizing the issuance of \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of the Town of Collierville, Shelby County, Tennessee, and entering into certain covenants and agreements relative to said bonds and the industrial building to be constructed from the proceeds thereof.

WHEREAS pursuant to an election held on January 12, 1967, under the authority of Sections 6-1701 to 6-1716, inclusive, of Tennessee Code Annotated, the electors of the Town of Collierville have approved the issuance of not exceeding \$5,000,000 bonds of said town for the purpose of constructing and equipping an industrial building or buildings to be leased to an industrial concern and acquiring the necessary site therefor; and

WHEREAS said town has entered into an agreement with Carrier Corporation, a Delaware corporation, with regard to the acquisition of an industrial building site and the construction and equipping of an industrial building thereon and the leasing of such property to said company; and

Draft of 3/20/67

WHEREAS it is now necessary and desirable to issue such bonds in the amount of \$5,000,000;

NOW, THEREFORE, Be It Resolved by the Board of Mayor and Aldermen of the town incorporated as "Mayor and Aldermen of Collierville, Tennessee", as follows:

Section 1. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "the municipality" shall mean the town incorporated as "Mayor and Aldermen of Collierville, Tennessee", situated in Shelby County, Tennessee;

(b) "the bonds" shall mean \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of the municipality dated March 1, 1967, and authorized to be issued by this resolution;

(c) "the lease" shall mean that certain lease agreement dated as of March 1, 1967, between the municipality and Carrier Corporation, a Delaware corporation, as authorized by Section 12 of this resolution;

(d) "the lessee" shall mean Carrier Corporation, aforesaid, as lessee under the lease, and its successors and assigns;

(e) "the industrial building" shall mean the industrial building to be situated on the real estate described in the lease and constructed and equipped from the proceeds of the bonds;

(f) "the indenture" shall mean the indenture of mortgage and deed of trust by and between the municipality and First American National Bank of Nashville, Nashville,

Tennessee, as trustee, dated as of March 1, 1967,
as authorized by Section 13 of this resolution;

(g) "the trustee" shall mean First American
National Bank of Nashville, Nashville, Tennessee,
as trustee under the indenture, or its successor in trust.

Section 2. For the purpose of providing funds with which
to pay the cost of acquiring the industrial building site described
in the lease and constructing and equipping an industrial building
on such site, and including the cost of legal, engineering and
fiscal expenses, there are hereby authorized to be issued the
negotiable coupon bonds of the municipality in the principal sum
of \$5,000,000, which bonds shall be designated "Municipal Industrial
Building Revenue Bonds, Series 1967 (Carrier)," shall be dated
March 1, 1967, denomination \$5,000, and shall be payable as to
principal and interest in lawful money of the United States of
America at the office of the trustee.

The bonds shall bear interest payable September 1, 1967
and semiannually thereafter on March 1 and September 1 of each year.

The bonds shall be numbered 1 to 1000, inclusive, and
shall mature on March 1 of each of the years and shall bear interest
as follows:

<u>Year</u>	<u>Amount</u>	<u>Bond Numbers</u>	<u>Interest Rate</u>
1968	\$ 250,000	1 - 50	5.00%
1969	250,000	51 - 100	5.00%
1970	250,000	101 - 150	5.00%
1971	250,000	151 - 200	5.10%
1972	250,000	201 - 250	5.10%
1973	250,000	251 - 300	5.10%
1974	250,000	301 - 350	5.20%
1975	250,000	351 - 400	5.20%
1976	250,000	401 - 450	5.20%
1977	250,000	451 - 500	5.20%
1987	2,500,000	501 - 1000	5.25%

The bonds shall be subject to redemption in the following manner:

(a) The bonds shall be subject to redemption prior to maturity at the option of the municipality as a whole on any interest payment date in the event that the lessee under the lease elects to terminate the lease because of substantial damage, destruction or condemnation of the industrial building, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

(b) The bonds shall also be subject to redemption prior to maturity at the option of the municipality as a whole on any interest payment date in the event that the lessee under the lease elects to purchase the industrial building as authorized in the lease, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption and a premium for each bond so redeemed in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
September 1, 1967 through September 1, 1971	\$250
March 1, 1972 through September 1, 1976	200
March 1, 1977 through September 1, 1979	150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(c) Bonds maturing March 1, 1987 are subject to redemption prior to maturity at the option of the municipality as a whole, or in part by lot, on March 1, 1977 and on any interest payment date thereafter at the principal amount thereof and accrued interest to the date of redemption plus a premium in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
March 1, 1977 through September 1, 1979	\$150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(d) Bonds maturing March 1, 1987 are also subject to mandatory redemption prior to maturity by lot on March 1, 1978 and on March 1 of each year thereafter, but solely from money on deposit in the Industrial Building Revenue Bond Sinking Fund (Carrier) in the manner and amounts specified in Section 4.01(a) of the indenture, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given not less than 30 days prior to the date fixed for redemption by:

(a) Publication of appropriate notice one time in a financial newspaper or journal published in the City of New York, New York and in a newspaper published in and of general circulation in the City of Nashville, Tennessee;

(b) Sending an appropriate notice by registered mail to the trustee; and

(c) As to any bond which may then be registered as to principal or as to both principal and interest, sending an appropriate notice by registered mail to the registered holder.

In case of the occurrence of an event of default as specified in the indenture, the principal of all of the bonds may be declared or may become due and payable in the manner and with the effect provided in the indenture.

Section 3. The bonds shall be payable solely from the income and revenues to be derived from the industrial building and secured by a mortgage on the industrial building and site, all as

more specifically provided herein and in the indenture. No holder or holders of any of the bonds shall ever have the right to compel any exercise of taxing power of the municipality to pay the bonds or the interest thereon and the bonds shall not constitute an indebtedness of the municipality within the meaning of any constitutional or statutory provision.

Section 4. Each of the bonds shall be signed by the Mayor of the municipality, shall be attested by the Register, shall have the corporate seal of the municipality impressed thereon, and shall be authenticated by the endorsement of the trustee under the indenture. Interest coupons attached to the bonds shall be signed with the facsimile signatures of said Mayor and Register and said officials, by the execution of said bonds, shall adopt as and for their own official signatures their respective facsimile signatures appearing upon said coupons.

Section 5. Each of the bonds shall be fully negotiable and pass by delivery but shall be subject to registration (as hereinafter provided) as to principal only or as to both principal and interest in the name of the owner on registration books to be provided for that purpose by the municipality in the office of the trustee, as bond registrar. Upon presentation at said office any of the bonds may be registered as to principal only and such registration shall be evidenced by notation to that effect by such bond registrar in the registration blank on the reverse side thereof, after which no transfer thereof shall be valid unless made at the written request of the registered owner or his legal representative, on said registration books and similarly endorsed thereon. Such registered bonds may be thus transferred to bearer whereupon transferability by delivery shall be restored but the bonds may again, from time to time, be registered or transferred to bearer as before. Such registration of any of the bonds shall not affect the transferability by delivery

only of the interest coupons thereunto appertaining; provided, that if upon registration of any such bond, or at any time thereafter while registered in the name of the owner, the unmatured coupons attached evidencing interest to be thereafter paid thereon shall be surrendered to said bond registrar a statement to that effect will be endorsed thereon and thereafter interest evidenced by such surrendered coupons will be paid by check or draft of said bond registrar at the times provided therein to the registered owner by mail to the address shown on the registration books. Each of the bonds when converted as aforesaid into a bond registered as to both principal and interest may be reconverted into a coupon bond at the written request of the registered owner and upon presentation at the office of said bond registrar. Upon such reconversion the coupons representing the interest to become due thereafter to the date of maturity, will be attached to the bond and a statement will be endorsed thereon by said bond registrar in the registration blank on the back of the bond whether it is then registered as to principal alone or payable to bearer. No charge shall be made to any bondholder for the privilege of registration and transfer hereinabove granted, but any bondholder requesting any such registration or transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any bond registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of any such bond shall be made only to or upon the order of the registered owner thereof, or his legal representative and neither the municipality, the trustee, nor the bond registrar shall be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid.

The municipality and the trustee may deem and treat the bearer of any bond which shall not at the time be registered as to principal (except to bearer), and the bearer of any coupon appertaining to any bond, whether such bond be registered as to principal or not, as the absolute owner of such bond or coupon, as the case may be, whether such bond or coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the municipality nor the trustee shall be affected by any notice to the contrary.

Section 6. The bonds and coupons to be attached thereto and the provisions to appear on the reverse side of each bond shall be in substantially the following form, the blanks to be appropriately completed when the bonds are printed:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF TENNESSEE

COUNTY OF SHELBY

TOWN OF COLLIERVILLE

MUNICIPAL INDUSTRIAL BUILDING REVENUE BOND
SERIES 1967 (CARRIER)

Number _____

\$5,000

KNOW ALL MEN BY THESE PRESENTS: That the town incorporated as "Mayor and Aldermen of Collierville, Tennessee" (sometimes hereinafter referred to as the "municipality"), for value received hereby promises to pay to bearer, or to the registered holder if this bond shall then be registered, solely from the special fund hereinafter specified, the principal sum of Five Thousand Dollars (\$5,000) on March 1, 19__, with interest at the rate of _____ per cent (_____%) per annum from the date hereof until the principal amount shall have been fully paid, such interest being

payable September 1, 1967 and semiannually thereafter on March 1 and September 1 of each year. Both principal hereof and interest hereon are payable in lawful money of the United States of America at First American National Bank of Nashville, Nashville, Tennessee, as trustee, or at the office of its successor in trust.

This bond is one of a total authorized issue aggregating \$5,000,000 of like date issued to provide funds with which to pay the cost of acquiring an industrial building site for the municipality and constructing and equipping an industrial building thereon, all as more fully provided in the resolution adopted on March 28, 1967, by the Board of Mayor and Aldermen of the municipality authorizing the issuance of said bonds, and in full compliance with the Constitution and statutes of the State of Tennessee, including among others, Sections 6-1701 to 6-1716, inclusive, of Tennessee Code Annotated, and pursuant to an indenture of mortgage and deed of trust by and between the municipality and First American National Bank of Nashville, Nashville, Tennessee, as trustee, dated as of March 1, 1967 (the term "trustee" where used herein referring to said trustee or its successor in trust). Reference to said resolution and indenture is hereby made for a description of the funds charged with and pledged to the payment of interest on and principal of the bonds, the nature and extent of the security thereof, and a statement of the rights, duties and obligations of the municipality and the trustee, the rights and remedies of the holders of the bonds, and the conditions under which additional bonds may be issued on a parity with this bond. By the acceptance of this bond, the holder hereof shall be conclusively deemed to assent to all of the provisions of said resolution and indenture.

The holder hereof shall never have the right to compel any exercise of the taxing power of the municipality to pay said bond or the interest thereon, and this bond does not constitute an

indebtedness of the municipality within the meaning of any constitutional or statutory provision. Both principal and interest of this bond and the issue of which it is one are payable only from and secured by a pledge of a portion of the income and revenues to be derived from the leasing of said industrial building, which amount shall be sufficient to pay the principal of and interest on said bonds as and when the same become due and payable and which shall be set aside as a special fund pledged for that purpose and identified as "Town of Collierville Industrial Building Revenue Bond Sinking Fund (Carrier)". The municipality covenants that it will lease said industrial building, prescribe and collect rentals for said industrial building, and revise same from time to time whenever necessary, and will account for such income and revenues so that same will always be sufficient to pay when due all bonds and interest thereon which by their terms are payable from said special fund.

The bonds of the issue of which this bond is one shall be subject to redemption in the following manner:

(a) the bonds shall be subject to redemption prior to maturity at the option of the municipality as a whole on any interest payment date in the event that Carrier Corporation, as lessee under the lease between the municipality and said company dated as of March 1, 1967, constituting the initial source of the revenues and rental income of said industrial building elects to terminate said lease because of substantial damage, destruction or condemnation of the industrial building, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

(b) the bonds shall also be subject to redemption prior to maturity at the option of the municipality as a whole on any interest payment date in the event that Carrier Corporation,

as lessee under such lease dated as of March 1, 1967, elects to purchase the industrial building as authorized in such lease, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption and a premium for each bond so redeemed in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
September 1, 1967 through September 1, 1971	\$250
March 1, 1972 through September 1, 1976	200
March 1, 1977 through September 1, 1979	150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(c) Bonds maturing March 1, 1987 are subject to redemption prior to maturity at the option of the municipality as a whole, or in part, by lot on March 1, 1977 and on any interest payment date thereafter at the principal amount thereof and accrued interest to the date of redemption plus a premium in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
March 1, 1977 through September 1, 1979	\$150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(d) Bonds maturing March 1, 1987 are also subject to mandatory redemption prior to maturity by lot on March 1, 1978 and on March 1 of each year thereafter, but solely from money on deposit in the Industrial Building Revenue Bond Sinking Fund (Carrier) in the manner and amounts specified in Section 4.01(a) of the indenture, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given not less than 30 days prior to the date fixed for redemption by:

(a) Publication of appropriate notice one time in a financial newspaper or journal published in the City of New York, New York, and in a newspaper published in and of general circulation in the City of Nashville, Tennessee;

(b) Sending an appropriate notice by registered mail to the trustee; and

(c) As to any bond which may then be registered as to principal or as to both principal and interest, sending an appropriate notice by registered mail to the registered holder.

In case of the occurrence of an event of default, as specified in the indenture, the principal of this bond and of all of the outstanding bonds of the issue of which it is a part may be declared or may become due and payable in the manner and with the effect provided in said indenture.

This bond shall not be valid or become obligatory for any purpose until the certificate hereon endorsed shall have been signed by the trustee.

This bond and appurtenant coupons are fully negotiable, but this bond may be registered as to principal on the registration books of the municipality in the office of the trustee as bond registrar, upon presentation hereof at such office and the notation of such registration endorsed hereon by the bond registrar, and this bond may thereafter be transferred on such books by the registered owner in person or by duly authorized attorney, evidence of such transfer to be in like manner endorsed hereon. Such transfer may be to bearer, and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before. The principal of this bond, if registered, unless registered to bearer, shall be payable only to the registered owner or his legal representative.

Interest accruing on this bond will be paid only on presentation and surrender of the attached interest coupons as they respectively become due, and registration of this bond as to principal as aforesaid will not affect the transferability by delivery of such coupons; provided, that if upon registration of this bond, or at any time thereafter while this bond is registered in the name of the owner, the unmatured coupons attached evidencing interest to be thereafter paid hereon shall be surrendered to said bond registrar a statement to that effect will be endorsed hereon by the bond registrar and thereafter interest evidenced by such surrendered coupons will be paid by check or draft of the bond registrar at the times provided herein to the registered owner of this bond by mail to the address shown on the registration books. This bond when so converted into a bond registered as to both principal and interest may be reconverted into a coupon bond at the written request of the registered owner and upon presentation at the office of said bond registrar. Upon such reconversion the coupons representing the interest to become due thereafter to the date of maturity will again be attached to this bond and a statement will be endorsed hereon by the bond registrar in the registration blank on the back of this bond whether it is then registered as to principal alone or payable to bearer.

The statute pursuant to which this bond is issued provides that all bonds issued thereunder shall be exempt from all state, county and municipal taxation in Tennessee, except inheritance, transfer and estate taxes.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the municipality have been done, exist and have been performed in regular and due time, form and manner as required by law, and that a sufficient amount of the

income and revenues to be derived from said industrial building has been pledged to and will be set aside into the said special fund by the municipality for the prompt payment of principal of and interest on this bond and the total authorized issue of which it is a part.

IN WITNESS WHEREOF, the municipality, by its Board of Mayor and Aldermen has caused this bond to be signed by its Mayor and attested by its Register and the corporate seal of the municipality to be impressed hereon, and has caused the coupons hereto attached to be executed with the facsimile signatures of said officials, all as of this first day of March, 1967.

Mayor

Attest:

Register

(Form of Coupon)

Number _____ \$ _____

On _____, 19__, unless the bond to which this coupon is attached is subject to prior redemption and shall have been properly called for redemption or otherwise becomes due and payable as provided in said bond, the Town of Collierville, Shelby County, Tennessee, will pay to bearer the amount shown hereon at First American National Bank of Nashville, Nashville, Tennessee, as trustee, or at the office of its successor in trust, in lawful money of the United States of America, solely from the revenues specified in the bond to which this coupon is attached, upon presentation and surrender of this coupon, for interest then due on its Municipal Industrial Building Revenue Bond, Series 1967 (Carrier), dated March 1, 1967, and numbered _____.

Mayor

Attest:

Register

(Form of Trustee's Certificate)

This bond is one of the bonds described
in the within-mentioned indenture.

FIRST AMERICAN NATIONAL BANK
OF NASHVILLE, Trustee

By _____

(Form of Registration Endorsement)

(No writing in this blank except by the Bond Registrar)

Date of Registration	Name of Registered Holder	Manner of Registration	Signature of Bond Registrar
:	:	:	:
:	:	:	:
:	:	:	:
:	:	:	:
:	:	:	:

Section 7. All income, revenue and rentals from the industrial building, including the proceeds of any insurance policy in the event of the damage or destruction of the industrial building, the net proceeds of any award in the event of the condemnation of the industrial building by any competent authority, and the proceeds of the sale of the industrial building or any portion of the industrial building site in the event of such a sale shall be deposited with the trustee and shall be disbursed solely in the manner provided in the indenture.

Section 8. The municipality hereby covenants that it will take all necessary steps to properly maintain the industrial building or to cause same to be properly maintained and to be continuously insured to the extent specified in the indenture, against loss or

damage by fire and also against loss or damage by windstorm, hail, explosion, riot and civil commotion, vandalism, malicious mischief, damage from aircraft, vehicles, and smoke, and such other casualties and events as may be procurable under uniform extended coverage.

Section 9. The municipality hereby covenants and agrees with the holder or holders of the bonds that it will faithfully and punctually perform all duties (or cause all such duties to be performed with reference to said industrial building as are required by the Constitution and laws of the State of Tennessee and the indenture, including the leasing of the industrial building and the making and revising of reasonable and sufficient rentals therefor and the application of the revenues and income from said industrial building in accordance with the provisions of this resolution, and the municipality further binds and obligates itself not to sell or in any manner dispose of the ownership of said industrial building until all of the bonds issued hereunder shall have been paid in full, both as to principal and as to interest, unless simultaneously with such sale there shall be deposited with the trustee funds which, together with funds on deposit with the trustee and available for that purpose, will be sufficient to call and retire on the next succeeding date on which the bonds can be called for redemption all of the bonds then outstanding, and to pay interest accrued and to accrue to such redemption date. This provision shall in no way prevent the mortgage of the industrial building pursuant to the provisions of the indenture.

Section 10. While any of the bonds shall be outstanding, the municipality covenants that it will not issue any additional bonds or incur any other obligations payable from the income and revenues of the industrial building. Provided, however, that the municipality may issue from time to time additional bonds payable from the income and revenues of the industrial building on a parity

with the bonds herein authorized, but only in the aggregate amount and upon compliance with the conditions expressed in Section 5.11 of the indenture.

Section 11. So long as any of the bonds are outstanding, the municipality shall keep proper books of records and accounts separate from all other records and accounts in which complete and correct entries shall be made of all transactions relating to said industrial building. The municipality will furnish on written request of any holder of the bonds, within 30 days after the close of any lease year, complete operating and income statements in reasonable detail covering such lease year.

Section 12. The execution by the Mayor and the Register of the lease in the form attached hereto and marked as "Exhibit A" is hereby authorized.

Section 13. For the purpose of securing the payment of the bonds herein authorized and for the purpose of providing for and fixing in more detail the rights of the holders thereof and of the municipality and of the trustee, and for the purpose of making effective a mortgage lien upon the industrial building, the indenture, in the form attached hereto and marked as "Exhibit B", is hereby authorized to be executed on behalf of the municipality by the Mayor and Register of the municipality, after which the indenture shall be recorded in the mortgage records of Shelby County. Appropriate financing statements shall be filed with the Secretary of State of the State of Tennessee in the manner provided by the Uniform Commercial Code.

Section 14. Any holder of the bonds or any of the coupons representing interest thereon, or the trustee, may either at law or in equity, by suit, action, mandamus, or other proceeding, in any court of competent jurisdiction enforce and compel performance

of all duties imposed upon the municipality by the provisions of this resolution and the indenture, including the making and collection of sufficient rentals, and the segregation of the income and revenues of the industrial building and the proper application thereof.

If any default be made in the payment of principal of or interest on any of the bonds, then upon the filing of suit by any holder of said bonds or coupons, or by said trustee, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the municipality with power to charge and collect rentals sufficient to provide for the payment of all bonds and obligations outstanding against the industrial building, and to apply the income and revenues thereof in conformity with the provisions of this resolution.

Section 15. The sale of the bonds to Equitable Securities Corporation, Nashville, Tennessee, at a price of \$5,000.000 and accrued interest to the date of delivery is hereby ratified and confirmed.

Section 16. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 17. This resolution shall be effective upon its passage and approval, the welfare of the municipality requiring it.

Adopted March 28, 1967.

Approved March 28, 1967.

/s/ A. G. Neville, Jr.
Mayor

Attest:

/s/ James Russell
Register

Motion was made by James Russell that said
resolution be adopted, and said motion was seconded by _____
Everett Warr. After due consideration, the Mayor put the
question, and upon roll being called the following voted:

Aye:

Herman Wright Cox, Jr.
Robert H. Humphreys
Fred Medling
W. M. Newby
James Russell
Everett Warr

Nay:

None

* * *

(Other business)

Upon motion duly made, seconded and carried, the meeting
adjourned.

/s/ A. G. Neville, Jr.
Mayor

Attest:

/s/ James Russell
Register

STATE OF TENNESSEE)
COUNTY OF SHELBY)

I, JAMES RUSSELL, hereby certify that I am the duly qualified and acting Register of the Town of Collierville, Shelby County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of the meeting of the Board of Mayor and Aldermen of said town held on March 28, 1967; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of said town dated March 1, 1967.

WITNESS my official signature and the seal of said town this 28th day of March, 1967.

/s/ James Russell
Register

(SEAL)

HHH:sd

#51406 File copy

EXHIBIT B

INDENTURE OF MORTGAGE AND DEED OF TRUST, dated as of March 1, 1967, between the town incorporated as "Mayor and Aldermen of Collierville, Tennessee" (the "Municipality"), and First American National Bank of Nashville, Nashville, Tennessee (the "Trustee"), a banking association organized and existing under the laws of the United States of America.

WHEREAS pursuant to the provisions of Sections 6-1701 to 6-1716, inclusive, of Tennessee Code Annotated, the Municipality has acquired the hereinafter described real property and has obligated itself to construct and equip an industrial building thereon and to finance the cost thereof, the Board of Mayor and Aldermen of the Municipality did on March 28th, 1967, adopt a resolution authorizing the issuance of \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of the Municipality dated March 1, 1967, and has duly leased said real property to Carrier Corporation, (the "Lessee"), a Delaware corporation duly qualified and authorized to do business in the State of Tennessee, under a Lease dated as of March 1, 1967, all as authorized by said Sections 6-1701 to 6-1716, inclusive, of Tennessee Code Annotated, and pursuant to a special election duly authorized and held on January 12, 1967, at which election more than a three-fourths majority of the qualified voters of the Municipality voting at said election, voted in favor of the issuance of said bonds in an amount not exceeding \$5,000,000; and

WHEREAS the said resolution authorizing the issuance of \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), provides that the principal of and interest on said bonds shall be secured by an Indenture of Mortgage and Deed of Trust and the execution of an Indenture in the form of this Indenture has been by said resolution duly authorized; and

WHEREAS all acts and things prescribed by law and by said resolution of the Board of Mayor and Aldermen of the Municipality and otherwise necessary to make the bonds issued by the Municipality valid and binding obligations of the Municipality and to constitute this Indenture a valid Mortgage and Deed of Trust to secure the payment of the principal of and interest on such bonds, have been duly done, performed and complied with, and the creation, execution and delivery of this Indenture and of the bonds have in all respects been duly authorized, and said bonds have been purchased and accepted;

NOW, THEREFORE, this Indenture Witnesseth, that in consideration of the premises and of the purchase and acceptance of the bonds by the holders thereof and of the sum of Ten Dollars to the Municipality duly paid by the Trustee, at or before the execution and delivery of this Indenture, and for other good and valuable considerations, receipt whereof is hereby acknowledged, and in order to secure payment of the principal of and interest on all of the bonds to be issued and outstanding under the Indenture according to their respective tenor and effect and the performance and observance of all the covenants and conditions herein contained and in order to charge with such payments and with such performance the properties hereinafter described, the Municipality has executed and delivered this Indenture and has granted, bargained, sold, aliened, remised, released, conveyed, confirmed, assigned, warranted, transferred, pledged, and set over, and by this Indenture does grant, bargain, sell, alien, remise, release, convey, confirm, assign, warrant, transfer, pledge, and set over unto the Trustee, its successors in trust and assigns, forever, subject to the terms of this Indenture, the following described property:

1. INDUSTRIAL BUILDING SITE

That certain tract of land lying and situate in the Second civil district of Shelby County, Tennessee and more particularly described in Schedule A hereto attached and made a part hereof by reference.

2. INCOME AND REVENUE

The Municipality's interest in, and in and to all income and revenues to be derived from that certain Lease dated as of the first day of March, 1967, by and between the Municipality and Carrier Corporation, aforesaid, which said Lease was filed for record in the office of the County Register of Shelby County, Tennessee, on the _____ day of _____, 1967, and recorded in Volume _____ of _____, page _____.

3. IMPROVEMENTS

Also, and together with, but not limited to all buildings, plant, structures, dwellings, and improvements constructed and to be constructed on the properties hereinabove described or any portion thereof; any machinery and equipment paid for and installed or to be paid for and installed by or on behalf of the Municipality on said properties (including particularly, but not limited to, machinery of the kind and in the amount described in Schedule B attached hereto and made a part hereof and all machinery installed as a replacement thereof); and all rights, privileges, licenses, permits, immunities, and easements of every kind and nature, appurtenant thereto; and all and singular the tenements, hereditaments, and appurtenances belonging to said properties or any part thereof or in any wise appertaining thereto; and the reversions, remainders, rents, issues, and profits thereof; but expressly excluding from the lien of this Indenture all fixtures, chattels, and articles of personal property owned by the Lessee in, or used in connection with the operation and possession of the mortgaged property whether attached or unattached, Lessee having the right to remove any such articles upon the repairing of damages, if any, to the building or buildings caused by such removal.

TO HAVE AND TO HOLD the premises, powers, rights, estates, leases, and other property hereby conveyed or assigned or intended to be conveyed or assigned or which may be conveyed or assigned by indentures supplemental hereto, unto the Trustee, its successors and assigns, forever, subject, however, to that certain Lease by and between the Municipality and Carrier Corporation, dated as of March 1, 1967, hereinabove described, and any amendment thereto made in accordance with Sections 20 or 21 of said Lease.

BUT IN TRUST NEVERTHELESS, subject to the provisions of this Indenture, for the equal and proportionate benefit, security, and protection of all holders of the bonds and interest coupons issued or to be issued under and secured by this Indenture without preference, priority, or distinction as to lien or otherwise, except as otherwise herein in this Indenture expressly provided, of any bond or coupon over any other bond or coupon, by reason of priority in the time of issue, sale, or negotiation thereof or otherwise for any cause whatsoever; provided, however, that if the Municipality shall pay or cause to be paid the principal of and interest on the bonds secured by this Indenture and shall keep, perform, and observe all and singular the covenants and promises in the bonds and coupons and in this Indenture expressed to be kept, performed, and observed by or on the part of the Municipality, then this Indenture and the rights hereby granted shall cease, determine, and be void, otherwise to remain in full force and effect.

AND IT IS FURTHER COVENANTED AND AGREED that the bonds are to be issued, authenticated, and delivered and that the mortgaged property and trust estate are to be held by the Trustee, upon and subject to the following covenants, conditions, and trusts; and the Municipality does hereby covenant and agree to and with the Trustee and its successors in trust hereunder, for the benefit of whomsoever shall hold the said bonds and interest coupons, as follows:

ARTICLE 1

Definitions

Section 1.01. The following terms shall have the following meanings in this Indenture unless the text expressly or by necessary implication requires otherwise:

- (a) "the Municipality" shall mean the town incorporated as "Mayor and Aldermen of Collierville, Tennessee," a municipal corporation situated in Shelby County, Tennessee;

(b) "the Trustee" shall mean First American National Bank of Nashville, Nashville, Tennessee, as Trustee under this Indenture, or its successors in trust;

(c) "the Lease" shall mean that certain Lease dated as of March 1, 1967, between the Municipality and Carrier Corporation, a Delaware corporation;

(d) "the Lessee" shall mean Carrier Corporation, aforesaid, as Lessee under the Lease, and its successors and assigns;

(e) "the Bond Resolution" shall mean the resolution adopted on March 28th, 1967, by the Board of Mayor and Aldermen of the Municipality authorizing the issuance of \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of the Municipality;

(f) "the bonds" shall mean \$5,000,000 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier) of the Municipality dated March 1, 1967, and authorized to be issued by the Bond Resolution; "parity bonds" shall mean bonds issued by the Municipality on a parity with the bonds in accordance with the restrictive provisions of Section 5.11 hereof;

(g) "an Event of Default" shall mean the occurrence of any one of the following:

(i) Payment of the principal of any of the bonds or parity bonds shall not be made when the same shall become due and payable either at maturity or otherwise; or

(ii) Payment of any installment of interest shall not be made when the same shall become due and payable or within 30 days thereafter; or

(iii) A failure to make any required payment into the Sinking Fund in the manner, amount, and time required by this Indenture, and such failure shall continue for 30 days; or

(iv) The Municipality shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(v) An order or decree shall be entered with the consent or acquiescence of the Municipality, appointing a receiver of the mortgaged premises or of the rents therefrom or if such order or decree, having been entered without the acquiescence or consent of the Municipality, shall not be vacated or discharged or stayed on appeal within 60 days after entered; or

(vi) The Municipality shall make default in due and punctual performance of any other of the covenants, conditions, agreements, and provisions contained in the Bond Resolution, the bonds or parity bonds or this Indenture, and such default shall continue for 60 days after written notice specifying such default and requiring same to be remedied shall have been given to the Municipality by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than 20% in principal amount of the bonds and parity bonds then outstanding;

(h) "the Industrial Building" shall mean any industrial building or buildings now or hereafter situated on the

real estate herein conveyed, including the machinery and equipment therein, financed from the proceeds of the bonds or parity bonds.

ARTICLE 2

Form, Execution and Other Details of Bonds

Section 2.01. The bonds shall be known as Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), authorized in the aggregate amount of \$5,000,000, dated March 1, 1967, denomination \$5000, and maturing on March 1 of each of the years and bearing interest as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1968	\$ 250,000	5.00%
1969	250,000	5.00%
1970	250,000	5.00%
1971	250,000	5.10%
1972	250,000	5.10%
1973	250,000	5.10%
1974	250,000	5.20%
1975	250,000	5.20%
1976	250,000	5.20%
1977	250,000	5.20%
1987	2,500,000	5.25%

The bonds shall bear interest payable September 1, 1967 and semiannually thereafter on March 1 and September 1 of each year and shall be registrable as to principal or as to both principal and interest.

The bonds shall be issued, executed and delivered in accordance with the provisions of the Bond Resolution. A certified copy of the Bond Resolution showing it to be a true and correct copy as appears on the records of the Municipality, shall be furnished the Trustee at the time of the execution of this Indenture.

The bonds shall be subject to redemption in the following manner:

(a) The bonds shall be subject to redemption prior to maturity at the option of the Municipality as a whole on any interest payment date in the event that the Lessee under the Lease elects to terminate the Lease because of substantial damage, destruction or condemnation of the Industrial Building,

such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

(b) The bonds shall also be subject to redemption prior to maturity at the option of the Municipality as a whole on any interest payment date in the event that the Lessee under the Lease elects to purchase the Industrial Building as authorized in the Lease, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption and a premium for each bond so redeemed in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
September 1, 1967 through September 1, 1971	\$250
March 1, 1972 through September 1, 1976	200
March 1, 1977 through September 1, 1979	150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(c) Bonds maturing March 1, 1987 are subject to redemption prior to maturity at the option of the Municipality as a whole or in part by lot on March 1, 1977 and on any interest payment date thereafter at the principal amount thereof and accrued interest to the date of redemption plus a premium in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
March 1, 1977 through September 1, 1979	\$150
March 1, 1980 through September 1, 1982	100
March 1, 1983 through September 1, 1985	50
March 1, 1986 and thereafter	none

(d) Bonds maturing March 1, 1987 are also subject to mandatory redemption prior to maturity by lot on March 1, 1978 and on March 1 of each year thereafter, but solely from money on deposit in the Sinking Fund in the manner and amounts hereinafter in Section 4.01 (a) of this Indenture specified, such redemption to be at the principal amount of the bonds so called for redemption plus accrued interest to the date fixed for redemption.

ARTICLE 3

Application of Bond Proceeds

Section 3.01. All of the proceeds from the sale of the bonds shall simultaneously with the delivery of the bonds to the purchaser thereof be paid directly to the Trustee and shall by the Trustee be disbursed and applied as follows, and not otherwise:

(a) All accrued interest on the bonds shall simultaneously with the delivery of the bonds be deposited in the Sinking Fund hereinafter created.

(b) The sum of \$172,953.⁹² shall be used to pay for the cost of acquiring the Industrial Building site.

(c) The balance of the principal proceeds of the bonds shall be paid by the Trustee into a fund to be known as the "Town of Collierville Industrial Building Construction Fund (Carrier)", for use in constructing and equipping the Industrial Building in accordance with plans and specifications for such building prepared by Allen & Hoshall, Engineers & Architects, Memphis, Tennessee, and for legal, fiscal, and incidental expenses in connection with such construction and with the issuance of the bonds.

The payments required under this subsection (c) for construction of the Industrial Building shall be made by the Trustee from time to time as such construction progresses, but each payment shall be made only upon receipt by the Trustee of certificates executed by the Mayor or the Register of the Municipality and such official of the Lessee as may be designated in writing by the Vice-President and Chief Financial Officer of the Lessee approving such payment. The final payment or payments under the contract or contracts for constructing said building shall

not be made by the Trustee unless the certificates by the Municipality and the Lessee approving such payment or payments shall also confirm that all liens and encumbrances resulting from the construction of such building shall have been discharged, or that the same will be discharged upon such payment.

Each payment for the installation of machinery or equipment shall be made only upon receipt by the Trustee of certificates executed by the Mayor or the Register of the Municipality and such official of the Lessee as may be designated in writing by the Vice-President and Chief Financial Officer of the Lessee approving such payment and identifying such machinery or equipment by name and serial number and confirming that the same has been properly installed; provided, however, that the Trustee shall make no final payment on any machinery or equipment except upon receipt by the Trustee of an opinion by counsel for the Municipality confirming that a supplemental indenture identifying such machinery or equipment by name and serial number has been entered into and executed by and between the Municipality and the Trustee, and that a supplemental lease identifying such machinery or equipment by name and serial number has been entered into and executed by and between the Municipality and the Lessee, and that appropriate financing statements, have been filed with the Secretary of State of the State of Tennessee, as provided by the Uniform Commercial Code, and stating that such machinery and equipment is subject to the lien of this Indenture as a first and prior lien.

(d) Money in the Construction Fund not required for current payments for construction and equipment of the

Industrial Building shall be invested by the Trustee in direct obligations of the United States of America maturing not later than 180 days after the date of such investment, and the income from such investments shall be credited to the Construction Fund.

(e) When the Trustee shall have made the payments required by subsections (a), (b) and (c) above, and shall also have received a certificate from the Mayor of the Municipality confirming that all payments for legal, fiscal, insurance, and incidental expenses have been paid in full, all remaining proceeds from the sale of the bonds in the hands of the Trustee shall be transferred to the Sinking Fund hereinafter described and used for the payment of principal of and interest on the bonds as such principal and interest fall due, and the Trustee shall credit the Lessee in the amount of such transfer as a partial payment of the rental or rentals next coming due under the Lease.

ARTICLE 4

Application of Income from the Industrial Building

Section 4.01. All income, revenue, and rentals from the Industrial Building shall be paid directly to the Trustee, and the Trustee shall deposit all such income, revenue, and rentals in a fund to be known as "Town of Collierville Industrial Building Revenue Fund (Carrier)", hereinafter sometimes called "the Revenue Fund", which shall be applied and disbursed by the Trustee as follows, and not otherwise:

(a) The money in the Revenue Fund shall be used first for the purpose of paying principal of and interest on the outstanding bonds and parity bonds, and there shall be set aside into a separate and special fund money fully

sufficient to pay principal of and interest on said bonds and parity bonds. Said fund shall be known as "Town of Collierville Industrial Building Revenue Bond Sinking Fund (Carrier)" and is sometimes herein referred to as the "Sinking Fund". Deposits shall be made into the Sinking Fund in the following manner and amounts:

(i) On August 20, 1967 and on February 20 and August 20 of each year thereafter, there shall be deposited in the Sinking Fund an amount equal to the principal (if any) and interest which will become due on the next succeeding interest payment date on all the bonds and the parity bonds then outstanding;

(ii) In order to provide for retirement of the bonds maturing March 1, 1987 (the "1967 term bonds") in advance of their stated maturity there shall also be deposited in the Sinking Fund on February 20, 1978 and on February 20 of each year thereafter through February 20, 1986 the sum of \$250,000, and on March 1, 1978 and on March 1 of each year thereafter through March 1, 1986 there shall be called for redemption 1967 term bonds in the amount of \$250,000, such redemption to be by lot at the principal amount thereof plus accrued interest to the date fixed for redemption and otherwise as provided in Section 2.01 (d);

provided, that the first such payment or payments into the Sinking Fund shall be reduced by the amount of accrued interest deposited in the Sinking Fund from the proceeds of the sale of the bonds as provided in Section 3.01 (a) hereof. The proceedings authorizing the issuance of any parity term bonds may provide for additional deposits into the Sinking Fund and, to the extent of such deposits, may further provide for the mandatory redemption of such bonds in advance of their stated maturity from the money in such fund.

Money in the Sinking Fund shall be used solely and only and is hereby expressly and exclusively pledged for the purpose of paying principal of and interest and redemption premiums on the bonds and parity bonds.

If on any payment date there shall for any reason be a failure to transfer to the Sinking Fund the full amount above stipulated, then an amount equivalent to such deficiency shall be set apart and transferred to the Sinking Fund from the first available money in the Revenue Fund, and said amount shall be in addition to the amounts otherwise hereinabove required to be so set apart and transferred to the Sinking Fund on the next succeeding payment date.

Money in the Sinking Fund at any time not required during the next succeeding 11 days for the payment of principal of or interest or redemption premiums on the bonds or parity bonds shall be invested by the Trustee in direct obligations of the United States of America maturing not later than 180 days following the date of such investment and in no event later than the date such money will be required for the payment of principal, interest or redemption premiums. The income from any such investments from time to time shall be retained in the Sinking Fund and credited against the next succeeding rental payment or payments under the Lease.

(b) Any money remaining in the Revenue Fund after each payment required by (a) above, shall be retained in the Revenue Fund as a reserve, and used for the purpose of paying principal of and interest on the bonds and parity bonds in the event of a deficiency in the Sinking Fund.

(c) When all of the bonds and parity bonds shall have been paid as to principal and interest, any money remaining in the Revenue Fund and the Sinking Fund shall be paid to the Lessee if the Lessee shall then be in good standing under the Lease.

When the date upon which any deposit is to be made into the Sinking Fund pursuant to the provisions of this Section 4.01, falls on a Sunday or legal holiday, such payment shall be made on the next succeeding secular day.

The proceeds of any insurance or condemnation award received by the Trustee in the event of the destruction or condemnation of or damage to the Industrial Building, and not required by this Indenture to be paid to the Lessee or the Municipality, and the proceeds of any sale of the Industrial Building or the Industrial Building site, or fixtures or equipment received by or for the account of the Municipality, shall be deposited in the Sinking Fund and used for the payment of principal of and interest on the bonds and parity bonds as such principal and interest fall due, and the Trustee shall credit the Lessee in the amount of such deposit as a partial payment of the rental or rentals next coming due under the Lease; provided, that at such time as there shall be on deposit in the Sinking Fund an amount equal to the entire principal amount of the then outstanding bonds and parity bonds, together with all applicable redemption premiums and interest accrued and to accrue on and prior to the next succeeding date on which such bonds can be redeemed, the amount on deposit in the Sinking Fund shall be used solely for the purpose of redeeming such outstanding bonds and parity bonds on such redemption date.

ARTICLE 5

Certain Covenants of the Municipality

The Municipality hereby covenants and agrees as follows:

Section 5.01. TO PAY PRINCIPAL AND INTEREST. The Municipality will duly and punctually pay, or cause to be paid, the principal of and interest on the bonds and parity bonds at the date and places and in the manner provided in said bonds and the coupons appertaining thereto, according to the true intent and meaning thereof. All of said bonds and coupons when paid shall be cancelled and held by the Trustee as evidence of such payment and in support of the request of the Municipality for release of this Indenture, or, in lieu thereof, the Trustee may cremate said cancelled bonds and coupons and furnish the Municipality with appropriate certificates evidencing such cremation.

Principal and interest on said bonds, charges of the Trustee and of paying agents are payable solely out of the revenues from the

properties herein and hereby mortgaged, which revenues are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified, and nothing in the bonds, coupons, or this Indenture shall be construed as obligating the Municipality to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

Section 5.02. LEASE. The Municipality covenants that so long as any of the bonds or parity bonds remain outstanding neither the Lease nor any of its terms, covenants, or provisions will be modified except as specifically provided for therein without the consent and approval of the Trustee obtained in writing; provided, however, that nothing herein contained shall prevent the Municipality or the governing body thereof from prescribing and collecting rentals from the Industrial Building, and revising same from time to time whenever necessary, so that the income and revenues to be derived from such rentals will always be sufficient to pay when due the bonds and parity bonds and interest thereon and to provide for all expenses of operation and maintenance in connection therewith. The Municipality further covenants and agrees that it will comply with all of the provisions of the Lease and will take all steps and do all acts necessary to enforce compliance by the Lessee with all of the covenants, conditions, and agreements imposed by the Lease. The Municipality further covenants and agrees that in the event the Lease shall be terminated for any reason, then the Municipality will employ all diligent effort to again lease the Industrial Building and collect rentals therefrom so that the income and revenues to be derived from such rentals will always be sufficient to pay the bonds and parity bonds and interest thereon as the same mature.

Section 5.03. TITLE AND WARRANTY. The Municipality warrants that it owns and is lawfully possessed of the real estate specifically described in the granting clauses hereof and thereby granted and has good right and lawful authority to mortgage the same

as provided by this Indenture, and covenants that it will defend the title of the Municipality thereto to the Trustee, and the holders for the time being of the bonds and parity bonds against the lawful claims and demands of all persons whomsoever; subject only to exceptions to the extent described in the granting clauses hereof.

Section 5.04. LIEN OF INDENTURE. This Indenture is and will be kept a first lien upon the mortgaged property subject as in the granting clauses hereof provided, and the Municipality will not create or suffer to be created any lien or charge having priority to or preference over the lien of this Indenture upon the mortgaged property or any part thereof; and within three months after the same shall accrue, the Municipality will pay and discharge or cause to be paid and discharged all lawful claims and demands of mechanics, materialmen, laborers, or others which if unpaid might by law be given preference to the lien of this Indenture as a lien or charge upon the mortgaged property or any part thereof.

Section 5.05. FURTHER ASSURANCE. The Municipality will make and deliver and cause to be made and delivered any and all further assurances or conveyances or assignments of the property hereby conveyed as the Trustee may reasonably direct or require, for the purpose of expressly and specifically subjecting the same to the lien of this Indenture.

Section 5.06. RECORDING. The Municipality will cause this Indenture forthwith upon the execution hereof and also all instruments of further assurance or conveyance or assignment referred to in the last preceding section to be recorded and filed or rerecorded and refilled, in such manner and in such places as may be required by law in order as fully as possible to preserve the lien hereof and thereof.

Section 5.07. TAXES. The Municipality from time to time, but solely out of the revenues from the mortgaged premises, will pay

and discharge or cause to be paid and discharged all taxes, assessments and governmental charges which shall be lawfully imposed upon the mortgaged property, or upon any part thereof, or upon its income and profits, the lien of which would be prior to the lien hereof, and will also pay and discharge all taxes, assessments, and governmental charges which shall be lawfully imposed upon the interest of the Trustee in the mortgaged property; provided, however, that nothing in this section contained shall require the Municipality to pay or discharge or cause to be paid or discharged any tax, assessment, or governmental charge, so long as the validity thereof or the amount thereof shall in good faith be contested, unless and until property subject to the lien hereof will thereby be in danger of being forfeited or lost.

Section 5.08. INSURANCE. The Municipality agrees to keep, or cause to be kept, the Industrial Building insured against loss or damage by fire, windstorm, hail, explosion, riots, civil commotion, aircraft, vehicles, smoke, malicious mischief, vandalism, and such other casualties and events as may be from time to time procured under uniform extended coverage. Such insurance shall be in such amount or amounts and in such form that the proceeds of such insurance in the event of the total destruction of the Industrial Building will equal 100% of the insurable value of the premises (if insurance is obtainable to such an amount and if not, to such an amount as is obtainable). All such insurance shall be in companies satisfactory to the Trustee and authorized to transact business in the State of Tennessee and all insurance policies shall have standard mortgage clauses attached, payable to the Trustee as its interest may appear.

The Municipality will cause a duplicate copy or "certificate" of each policy of insurance to be deposited with the Trustee.

Section 5.09. DAMAGE TO OR DESTRUCTION OR CONDEMNATION OF MORTGAGED PREMISES. In the event the whole or any part of the mortgaged premises shall be damaged or destroyed or shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, the Municipality agrees that it will pay over or cause to be paid over to the Trustee, promptly when collected or received, any insurance proceeds and the entire amount of the award or compensation or damages recovered on account of each and every such taking or condemnation, less any expenses, including counsel fees, incurred by the Municipality and by the Lessee in litigating, arbitrating, compromising, or settling any claim arising out of such condemnation; and all money so paid over to the Trustee shall be held by the Trustee and shall at the written request and election of the Lessee delivered to the Trustee, either:

(a) be paid over to the Lessee, at its election, either upon completion of repairs, restoration, reconstruction, or re-equipping of the Industrial Building or periodically as same progresses (but limited to the then cost thereof) to reimburse or pay the Lessee for expenditures made for the purpose of repair, restoration, reconstruction, or re-equipping of the damaged or destroyed building, or for the purpose of reconstructing or replacing such destroyed building with a new building or buildings, suitable for the needs and use of the Lessee, as it may elect, upon receipt by the Trustee of a certificate or certificates showing the expenditures made for such purposes or the extent of the repair, restoration, reconstruction, re-equipping, construction or replacements from time to time completed and the amount to be paid therefor; provided, however, that the plan or plans for a new building or buildings shall have been approved by the Lessee and by the Municipality; and provided further, that

the sums so paid by the Trustee shall in no event exceed the actual cost of such repair, restoration, reconstruction, re-equipping, construction or replacements. Such certificate or certificates shall likewise certify that there are or will be no liens or encumbrances on the mortgaged property, as a result of such repair, restoration, reconstruction, re-equipping, construction or replacements after such payments shall have been received by the Lessee. If the Industrial Building shall be reconstructed or restored or repaired, as aforesaid, and the expenses thereof shall be fully paid, the Trustee, upon receipt of a certificate to that effect signed by the architect or engineer supervising such work, shall transfer the balance of any such proceeds, award, compensation, or damages remaining in its hands into the Sinking Fund in the manner and amounts provided in Section 4.01 of this Indenture; or

(b) be deposited by the Trustee in the Sinking Fund in the manner and amounts provided in Section 4.01 of this Indenture.

In the event that after 60 days following the receipt by the Trustee of any such money the Lessee shall have failed to direct the Trustee as to the payment of such money as aforesaid, or to repair and restore or to reconstruct or replace the Industrial Building as hereinbefore provided or to commence such repair, restoration, reconstruction or replacement within such 60-day period and to diligently prosecute the same, such money shall thereupon be deposited by the Trustee in the Sinking Fund in the manner and amounts provided in Section 4.01 of this Indenture, unless the Municipality shall have by appropriate resolution of its governing authority notified the Trustee of its election to repair, restore, re-equip, replace or to reconstruct the Industrial Building as herein provided, in which

event all such money or so much thereof as may be necessary to reimburse or pay the Municipality for expenditures made for such purposes shall be paid over to the Municipality by the Trustee in accordance with the provisions of subparagraph (a) of this section; and the balance, if any, of said money then remaining shall thereupon be deposited by the Trustee in the Sinking Fund in the manner and amounts provided in Section 4.01 of this Indenture.

Section 5.10. RIGHTS OF BONDHOLDERS NOT IMPAIRED. The Municipality will faithfully and punctually perform all duties or cause such duties to be performed, with reference to the mortgaged premises as are required by the Constitution and Laws of the State of Tennessee and the Bond Resolution, including the leasing of the Industrial Building and the making and revising of reasonable and sufficient rentals for the mortgaged premises and the application of the revenues and income from the mortgaged premises pursuant to the provisions of the Bond Resolution and of this Indenture. The Municipality further obligates itself not to sell or in any manner dispose of the ownership of the mortgaged premises, except as in this Indenture expressly provided, unless the net proceeds from such sale shall be at least sufficient to call and redeem the outstanding bonds and parity bonds on the next succeeding date on which such bonds may be called for redemption and to pay interest accrued and to accrue to such bond redemption date, in which case the sale proceeds shall be paid directly to the Trustee and disbursed in the manner provided in Section 4.01 hereof for insurance proceeds and condemnation awards.

Section 5.11. PARITY BONDS. The Municipality may, as provided in the Lease, issue additional bonds (the "parity bonds") secured by this Indenture on a parity and equality of lien with the \$5,000,000 bonds authorized in Section 2.01 hereof, but only upon compliance with the following conditions:

(a) Said bonds may be issued from time to time in an aggregate amount not exceeding \$5,000,000.

(b) The Municipality shall have entered into a Lease with the Lessee at rentals at least adequate to pay principal of and interest on the bonds and parity bonds.

(c) The Lessee is not in default with respect to the payment of rent under the Lease.

(d) Such bonds must be issued for the purpose of constructing additional buildings or additions or improvements (including equipment) to the Industrial Building or completing the same or for enlarging the Industrial Building site.

(e) Such additional bonds must mature on March 1 of each year in which there shall be a maturity of principal.

ARTICLE 6

Section 6.01. POSSESSION OF MORTGAGED PROPERTY. Unless and until an Event of Default shall occur and be continuing, the Municipality shall be suffered and permitted to retain full possession and control of the mortgaged property (subject to the rights of the Lessee under the Lease) and to manage, operate, and use the same and every part thereof with the rights and franchises appertaining thereto.

Section 6.02. DISPOSITION OF MACHINERY AND EQUIPMENT BY LESSEE. The Lessee shall be permitted at all times and from time to time to sell or otherwise dispose of any machinery, equipment, or apparatus which may be subject to the lien hereof when the same shall become obsolete, worn-out, or unnecessary for the purpose of the Lessee; provided, that the book value before deducting depreciation of the property herein mortgaged remaining after such sale or other disposition (and taking into account replacements, if any) shall be at least equal to the principal amount of the bonds and parity bonds then outstanding, less moneys in the hands of the Trustee and available for the payment of principal of the bonds and parity bonds, and the disposal of such property will not interfere with the operation of or impair the use of the property herein mortgaged, and the Trustee shall deliver to the Lessee an instrument releasing the same from the lien of this Indenture; provided, however, that in every case of such sale or other disposition of machinery, equipment or apparatus by the Lessee, the proceeds of such sale or disposition shall either be used by the Lessee to replace such obsolete,

worn-out or unnecessary machinery with other machinery suitable for the then needs of the Lessee, or, to the extent not so used, shall be paid to the Trustee and shall by the Trustee be deposited in the Sinking Fund to the extent provided in Section 4.01 hereof, but in no event need the amount of such proceeds paid to the Trustee exceed the amount of all unpaid installments of basic rental as defined in Section 4 of the Lease. Not later than January 1 of each year during the original term hereof the Lessee shall furnish the Trustee under the Indenture with a written statement identifying all property of the Lessor sold or otherwise disposed of during the preceding fiscal year of the Lessee ending October 31 and the manner of disposition and the price received therefor, and further identifying any replacement machinery, equipment or apparatus and the price paid therefor. Each such statement shall be accompanied by an opinion by counsel for the Lessee to the effect that such replacement machinery, equipment or apparatus is subject to the lien of this Indenture and is otherwise unencumbered.

ARTICLE 7

Remedies in Default

Section 7.01. ACCELERATION OF MATURITY. Upon the happening of any Event of Default (unless the principal of all the bonds and parity bonds shall already have become due and payable) the Trustee may, and upon the written request of the holders of at least a majority in principal amount of the bonds and parity bonds then outstanding, shall declare, by written notice to the Mayor or Register of the Municipality, that the principal of and interest on all the bonds and parity bonds then outstanding shall be due and payable immediately, and upon any such declaration, the same shall become due and payable immediately, anything in this Indenture or in the bonds or parity bonds to the contrary notwithstanding.

This provision, however, is subject to the condition that if at any time after the principal of the bonds and parity bonds shall

have been so declared and become due and payable and before any sale of the mortgaged premises shall have been made, all arrears of interest upon all the bonds and parity bonds and all other sums payable under this Indenture, except the principal of any bonds or parity bonds which shall not have matured by their terms, shall have been duly paid, and any other default in the performance of any covenant or provision of the Bond Resolution, the bonds or of this Indenture shall have been made good or secured to the satisfaction of the Trustee or arrangements deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee upon the written request of the holders of a majority in principal amount of the bonds and parity bonds then outstanding, shall waive the default by reason of which the principal of such bonds shall have so become due and payable, and rescind and annul such declaration and its consequences; but no such waiver, rescission or annulment shall extend to or affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 7.02. CERTAIN POWERS OF TRUSTEE UPON DEFAULT. In case any Event of Default shall happen and be continuing, then in each and every case, the Trustee in its discretion either:

(a) may sell, subject to statutory requirements, to the highest bidder all and singular the trust estate, and all right, title and interest, claim and demand therein and thereto, and all right of redemption thereof, such sale or sales to be made at public auction at such place or places, and at such time and upon such terms as the Trustee may fix and briefly specify in the notice of sale to be given as hereinafter provided, or as may be required by law; or

(b) may proceed to protect and enforce the rights of the Trustee and the rights of the holders of the bonds

and parity bonds and coupons by a suit in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture, or for the enforcement of any other appropriate legal or equitable remedy; as the Trustee, being advised by counsel, shall deem most effectual to protect or enforce any rights or duties hereunder.

All covenants and agreements on the part of the Lessee contained in the Lease shall be for the benefit of the holders from time to time of the bonds and parity bonds, and in addition to any other rights and powers specified herein, the Trustee shall have, and may exercise without further authorization from the Municipality, all rights, powers, privileges, and remedies of the Municipality expressly granted in the Lease or arising under any statute or in law or in equity or otherwise, consequent on any failure by the Lessee under the Lease to comply with any term thereof.

Section 7.03. MAJORITY OF BONDHOLDERS MAY CONTROL PROCEEDINGS. Anything in this Indenture to the contrary notwithstanding the holders of a majority in principal amount of the bonds and parity bonds then outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder; provided that such direction shall not be otherwise than in accordance with law.

Section 7.04. NOTICE OF SALE. Notice of any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, shall state the time and place when and where the same is to be made and shall contain a brief and general description of the property to be sold, and such notice shall be

sufficiently given if published once each week for four (4) successive weeks prior to the date fixed for such sale in one newspaper of general circulation published in the City of Nashville, Tennessee, and one newspaper of general circulation (if any) published in the Municipality and if a copy of such notice is served upon the Lessee by registered mail. Such notice shall also comply with any requirements of law

Section 7.05. CONVEYANCES TO PURCHASER AT SALE. Upon the completion of any sale or sales, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, the Trustee shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed or other instruments conveying, assigning, and transferring the property sold. The Trustee is hereby irrevocably appointed the true and lawful attorney of the Municipality in its name and stead to make all deliveries and to execute all deeds and instruments of conveyance, assignment, and transfer, and may substitute one or more persons with like power, the Municipality hereby ratifying and confirming all that its said attorney or such substitute or substitutes may lawfully do by virtue hereof. Nevertheless, the Municipality shall, if so requested by the Trustee, ratify and confirm any sale by executing and delivering to the Trustee or to such purchaser or purchasers, or by joining in the execution of all such deeds and instruments as may be necessary or in the judgment of the Trustee proper for the purpose, and as may be designated in such request.

Section 7.06. APPLICATION OF AMOUNTS REALIZED FROM SECURITY. The purchase money, proceeds, or avails of any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, shall be applied as follows and in the following order:

First: To the payment of the costs and expenses of such sale, including reasonable compensation to the Trustee,

its agents, attorneys, and counsel, and to the payment of all necessary or proper expenses, liabilities, and advances made or incurred by the Trustee under this Indenture, and to the payment of all taxes, assessments or liens prior to the lien of this Indenture, except any taxes, assessments, or other superior liens subject to which such sale shall have been made.

Second: To the payment of the whole amount then owing and unpaid upon the bonds and parity bonds for principal and interest, with interest on the overdue principal and on the overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the bonds and parity bonds, then to the payment of such principal and interest, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and the accrued and unpaid interest, upon presentation of the several bonds and parity bonds or coupons and the stamping thereon of such payment, if partly paid, and upon surrender thereof, if fully paid.

Third: To the payment of the surplus, if any, to the Municipality or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Section 7.07. WAIVER OF STAY, EXTENSION, VALUATION, ETC., LAWS. The Municipality will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force nor will it claim, take, or insist upon any benefit or advantage from any law

now or hereafter in force providing for the valuation or appraisal of the trust estate or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained or to the decree, judgment, or order of any court of competent jurisdiction, nor after any such sale or sales will it claim or exercise any rights under any statute enacted by the United States of America or by any state or otherwise, to redeem the property so sold or any part thereof; and the Municipality hereby expressly waives all benefit and advantage of any such law or laws, and it covenants that it will not hinder, delay, or impede the execution of any power herein granted and delegated to the Trustee, but that it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 7.08. RIGHT TO APPOINTMENT OF RECEIVER. Upon the filing of a bill in equity or other commencement of any suit or judicial proceedings hereunder, the Trustee shall be entitled, as of right, to the appointment, by any Federal or State court having jurisdiction, of a receiver or receivers of the trust estate and of the rents, revenues, profits, earnings, income, and issues thereof, or any part thereof.

Section 7.09. NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved to the Trustee or to the holders of the bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 7.10. NO DELAY OR OMISSION CONSTRUED TO BE A WAIVER. No delay or omission of the Trustee or of any holder of the bonds or parity bonds to exercise any right or power accruing upon any default occurring and continuing as aforesaid, shall impair any such right or

power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee and the holders of the bonds and parity bonds, respectively, may be exercised from time to time, and as often as may be deemed expedient.

Section 7.11. A default by the Municipality hereunder shall in no way prejudice the rights of the Lessee under the Lease while the Lessee shall be in good standing thereunder.

ARTICLE 8

Concerning the Trustee

Section 8.01. The Trustee accepts the trust created by this Indenture upon the terms and conditions hereof, including the following, to all of which the parties hereto and the holders from time to time of the bonds and parity bonds agree:

Section 8.02. TRUSTEE'S UNDERTAKING, RESPONSIBILITIES, AND COMPENSATION.

(a) The Trustee undertakes, prior to the occurrence of an Event of Default and after the curing of all defaults which may have occurred, to perform such duties and only such duties as are specifically set forth in this Indenture, and in case of the occurrence of an Event of Default (which shall not have been cured) to exercise such of the rights and powers vested in it by this Indenture, and to use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Upon demand of the Municipality, but in no event more often than semiannually, the Trustee shall give an account to the Municipality with respect to all funds in the custody of the Trustee,

setting out the amounts in each of said funds and the manner in which the money in said funds is invested.

The Trustee, upon receipt of evidence furnished to it by or on behalf of the Municipality pursuant to any provision of this Indenture, will examine the same to determine whether or not such evidence conforms to the requirements of this Indenture.

(b) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that:

(1) prior to the occurrence of an Event of Default hereunder and after the curing of all defaults which may have occurred, and in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely as to the truth of the statement and the correctness of the opinion expressed therein, upon certificates or opinions conforming to the requirements of this Indenture; and

(2) prior to the occurrence of an Event of Default hereunder and after the curing of all defaults which may have occurred, the Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, but the duties and obligations of the Trustee, prior to the occurrence of an Event of Default and after

the curing of all defaults which may have occurred, shall be determined solely by the express provisions of this Indenture; and

(3) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers or employees of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(4) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the bonds and parity bonds at the time outstanding relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

The term "responsible officers" of the Trustee, as used in this Indenture, shall mean and include the President, any Vice President or Assistant Vice President, Cashier, and every other officer and assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred, because of his knowledge of, and familiarity with, a particular subject; and the term "responsible officer" of the Trustee, as used in this Indenture, shall mean and include any of said officers or persons.

(c) The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals herein or in the bonds (except the Trustee's certificate of authentication thereon) or in the coupons contained, all of which are made by the Municipality solely; and the Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or execution or sufficiency of this Indenture, or of any indenture supplemental hereto, or of the bonds or coupons, or for the value of property subject to the lien of this Indenture or any part thereof, or for the title of the Municipality thereto, or for the security afforded thereby and hereby, and the Trustee makes no representations with respect thereto. The Trustee shall not be accountable for the use or application by the Municipality of any bonds authenticated or delivered hereunder or of the proceeds of such bonds.

(d) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee on the Municipality shall be deemed to have been sufficiently given or served, for all purposes, by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the Municipality with the Trustee for the purposes of this Indenture) as follows:

Register
Town of Collierville
Collierville, Tennessee

(e) Unless otherwise expressly provided by this Indenture:

(1) The Trustee may rely and shall be protected in acting upon any resolution,

certificate, opinion, notice, request, consent, order, appraisal, report, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties; and

(2) The Trustee may consult with counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(f) The Municipality covenants and agrees out of its revenues from the mortgaged property only to pay, or cause to be paid, to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the execution of the trust hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, which compensation shall not be limited by any provisions of law in regard to the compensation of a trustee of an express trust, and the Municipality will out of its revenues from the mortgaged property only reimburse the Trustee for all advances made by the Trustee in accordance with any of the provisions of this Indenture and will pay to the Trustee from time to time its expenses and disbursements (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ). The Municipality also covenants out of its revenues from the mortgaged property only, to indemnify

the Trustee for, and to hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending against any claim or liability in the premises.

(g) In order to further assure the Trustee that it will be compensated, reimbursed, and indemnified as provided in subparagraph (f) of this section, all parties to this Indenture agree, and each holder or owner of any bond or parity bond by his acceptance thereof shall be deemed to have agreed, that in the event of:

(1) the adjudication of the Municipality as a bankrupt by any court of competent jurisdiction pursuant to any present or future law,

(2) the filing of any petition seeking the reorganization of the Municipality under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America or of any state thereof which may now or hereafter be in effect,

(3) the appointment of one or more trustees or receivers of property, the interest of the Municipality or of the Lessee in the mortgaged premises,

(4) the filing of any bill to foreclose this Indenture,

(5) the filing by the Municipality of a petition to take advantage of any insolvency act, or

(6) the institution of any other proceeding wherein it shall become necessary or desirable to file or present claims against the Municipality,

the Trustee may file from time to time in any such proceeding or proceedings one or more claims, supplemental claims and amended claims as a secured creditor for its reasonable compensation for all services rendered by it (including services rendered during the course of any such proceeding or proceedings) and for reimbursement for all advances, expenses, and disbursements (including the reasonable compensation and the expenses and disbursements of counsel and of all persons not regularly in its employ) made or incurred by it in the execution of the trust hereby created and in the exercise and performance of any of the powers and duties herein of the Trustee, and for any and all amounts to which the Trustee is entitled as indemnity as provided in subparagraph (f) of this section.

Section 8.03. NOTICES TO BONDHOLDERS. The Trustee shall mail to all bondholders who shall have filed their names and addresses with the Trustee for such purposes, written notice of the occurrence of any Event of Default as set forth herein, within 30 days after the Trustee shall have knowledge that any such default shall have occurred. The Trustee shall not, however, be subject to any liability to any bondholder by reason of its failure to mail a notice required by this Indenture.

Section 8.04. RESIGNATION OF, AND APPOINTMENT OF SUCCESSOR TO THE TRUSTEE. The Trustee or any successor trustee or trustees for the time being hereunder may resign as such trustee or trustees and be

discharged from the trusts hereby created by giving not less than four (4) weeks prior written notice thereof to the Municipality and by publishing such notice at least once a week, for four (4) successive calendar weeks upon any secular day of each such calendar week, in a newspaper of general circulation published in the City of Nashville, Tennessee, and in a newspaper of general circulation (if any) published in the Municipality, and such resignation shall take effect upon the day specified in such notice unless previously a successor trustee shall have been appointed by the bondholders or the Municipality as hereinafter provided, and in such event such resignation shall take effect immediately on the appointment of such successor trustee. But such notice of resignation need not be published if consent to such resignation shall have been given in writing by the holders of all the bonds and parity bonds at the time outstanding. The Trustee or any successor trustee may be removed at any time by the holders of a majority in principal amount of the bonds and parity bonds outstanding by an instrument or concurrent instruments in writing signed in duplicate by such bondholders, of which one copy shall be filed with the Municipality and one with the Trustee. In case at any time the Trustee shall resign, or shall be removed or be dissolved or otherwise shall become incapable of acting, or in case control of the Trustee or of its officers shall be taken over by any public officer or officers, a successor trustee may be appointed by the holders of a majority in principal amount of the bonds and parity bonds outstanding by an instrument or concurrent instruments in writing signed in duplicate by such bondholders and filed, one copy with the Municipality and the other with the successor trustee; but until the successor trustee shall be so appointed by the bondholders as herein authorized, the Municipality by resolution of its governing authority may appoint a temporary successor trustee.

If, in a proper case, no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Article 8 after a vacancy shall have occurred in the office of the Trustee, the holder of any bond or parity bond or the retiring Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

Any successor trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor trustee and to the Municipality or to the receivers, trustees, assignees, or court appointing it an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed, or conveyance, shall become vested with all the estate, properties, rights, powers, and trusts of such predecessor in the trust hereunder with like effect as if originally named as Trustee; but the predecessor trustee shall, nevertheless, on the written demand of the new trustee or of the Municipality or of the holders of not less than 15% in principal amount of the outstanding bonds and parity bonds execute and deliver an instrument conveying and transferring to such new trustee upon the trusts herein expressed all the properties, rights, powers, trusts, duties, and obligations of such predecessor trustee, and shall duly assign, transfer, and deliver any money and property held by such predecessor trustee to the new trustee so appointed in its place. It shall be the duty of the Municipality to cause to be recorded, in the same manner as this Indenture shall have been recorded, each resignation, appointment, and acceptance of trusteeship hereunder.

Section 8.05. APPOINTMENT OF CO-TRUSTEE. At any time or times in order to conform to any laws of the State of Tennessee, or if the Trustee or any successor trustee shall be advised by counsel that it is necessary or prudent in the interest of the bondholders,

the Trustee or any such successor trustee shall have power to appoint and shall execute, deliver and perform all instruments and agreements necessary or proper to constitute another trust company or bank or banking institution, or one or more persons, either to act as co-trustee or co-trustees of any or of all of the property subject to the lien hereof jointly with the Trustee or any such successor trustee. The Trustee or any such successor trustee shall have the power, at any time, to remove any co-trustee appointed hereunder.

Section 8.06. WAIVER OF BOND. Neither the Trustee nor any successor trustee hereunder shall be required to give bond for the performance of the fiduciary relationship herein imposed.

ARTICLE 9

Manner of Evidencing Ownership of Bonds

Section 9.01. PROOF OF OWNERSHIP OF BONDS. Any request, direction, consent, or other instrument required by this Indenture to be signed or executed by bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such bondholders in person or by agent appointed in writing. Proof of the execution of any such instrument, or of the writing appointing such agent, and of the ownership of bonds, if made in the following manner, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The fact of the holding of bonds hereunder by any bondholder and the amount and issue numbers of such bonds, and the date of his holding the same may be proved by the affidavit of the person claiming to be such holder, if such affidavit shall be deemed by the Trustee to be satisfactory, or by a certificate executed by any trust company, bank, banker, or any other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker, or other depository, the bonds described in such certificate. The Trustee may conclusively assume that such ownership continues until written notice to the contrary is served upon the Trustee.

ARTICLE 10

Supplemental Indentures

Section 10.01. MODIFICATIONS AND ALTERATIONS OF INDENTURE.

With the consent of the holders of not less than 66% in principal amount of the bonds and parity bonds at the time outstanding, or their attorneys-in-fact, duly authorized, the Municipality, when authorized by a resolution of its governing authority and by the Trustee, may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or modifying the rights or obligations of the Municipality and the rights of the holders of any of the bonds and coupons; provided, however, that no amendment, modification, or alteration shall be effective, which will

(a) permit a change in the date of maturity of the principal of any

bond or parity bond or of any installment of interest thereon without the written consent of the holders of such bond, or (b) permit a reduction in the amount of principal thereof or the rate of interest thereon without the written consent of the holder of such bond, or (c) reduce the percentage of the principal amount of bonds the consent of the holders of which is required to effect a further amendment, or (d) deprive any holder of any bond or parity bond of the security afforded by this Indenture, or (e) affect the rights of the Lessee unless the written consent of the Lessee to such amendment, modification, or alteration shall have been filed with the Trustee. ✓

Upon the written request of the Municipality, accompanied by a certified copy of a resolution of its governing authority authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of the bondholders as aforesaid, the Trustee shall join with the Municipality in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties, or immunities under this Indenture or otherwise, in which case the Trustee may, in its discretion, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the bondholders under this Article 10 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Municipality and the Trustee of any supplemental indenture pursuant to the provisions of this article, the Municipality shall publish a notice setting forth in general terms the substance of such supplemental indenture at least once in a newspaper (if any) published in the Municipality and in a daily newspaper published in the City of Nashville, Tennessee. Any failure

of the Municipality to give such notice, or any defect therein shall not, however, in any way impair or affect the validity of any such supplemental indenture.

No consent of the bondholders shall be necessary to enter into a supplemental indenture for the sole purpose of subjecting after-acquired property to the lien of this Indenture or for the sole purpose of expressly subjecting to the provisions of this Indenture or making additional provision for the payment of any issue of parity bonds permitted by Section 5.11 hereof.

ARTICLE 11

Partial Releases

Section 11.01. If and whenever the Lessee shall make and deliver to the Municipality and to the Trustee a certificate stating that any unimproved portion or portions of the mortgaged premises described in such certificate are not being used by the Lessee and are not necessary for the Lessee's operation of the Industrial Building, and requesting that such portion or portions of the mortgaged premises be released from the lien of this Indenture; and if the Municipality shall deliver to the Trustee a certified copy of a resolution adopted by the governing authority of the Municipality requesting that such portion or portions of the mortgaged premises be released from the lien of this Indenture; and if there shall be deposited with the Trustee for the account of the Municipality an amount of money equal to \$1,250 for each acre of the property requested to be released; and if the Lessee shall not then be in default under the Lease; then and in that event the Trustee is authorized to release such portion or portions of the mortgaged premises from the lien of this Indenture, and shall execute, deliver to the Municipality, and record an instrument or instruments effecting such release: provided, however, that the aggregate portion of the mortgaged premises released from the lien of this Indenture under the provisions of this article

shall never exceed 45 acres, and shall in no event include the Industrial Building or any portion thereof or any other improvements to the mortgaged premises. Any money so received by the Trustee under the provisions of this article shall be deposited in the Sinking Fund by the Trustee and disbursed as provided in Article 4 hereof. No consent of the holders of any of the bonds or parity bonds shall be required for the release of property from the lien of the Indenture in accordance with this article. Upon the release of property from the lien of the Indenture in accordance with the provisions of this article, the Trustee shall consent to the amendment of the Lease to the extent necessary to remove such released property from the provisions of the Lease.

ARTICLE 12

Defeasance

Section 12.01. DISCHARGE OF LIEN. If the Municipality shall pay or cause to be paid to the holders and owners of the bonds and parity bonds and coupons the principal and interest to become due thereon at the times and in the manner stipulated therein, and if the Municipality shall keep, perform and observe all and singular the covenants and promises in the bonds and in this Indenture expressed as to be kept, performed and observed by it or on its part, then these presents and the estate and rights hereby granted shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Municipality such instruments in writing as shall be requisite to satisfy the lien hereof, and reconvey to the Municipality the estate hereby conveyed, and assign and deliver to the Municipality any property at the time subject to the lien of this Indenture which may then be in its possession, except amounts in the Revenue Fund and Sinking Fund required to be paid to the Lessee under Section 4.01(c) hereof and except cash held by the Trustee for the payment of interest on and retirement of the bonds and parity bonds.

Bonds and coupons for the payment or redemption of which moneys shall have been deposited with the Trustee (whether upon or prior to the maturity or the redemption date of such bonds) shall be deemed to be paid within the meaning of this Article; provided, however, that if such bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or arrangements satisfactory to the Trustee shall have been made for the giving thereof.

ARTICLE 13

Miscellaneous

Section 13.01. INVALIDITY OF ANY PROVISION. In case any one or more of the provisions contained in this Indenture or in the bonds or coupons shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

Section 13.02. FAITH AND CREDIT OF MUNICIPALITY NOT PLEDGED. Nothing in the bonds or coupons or in this Indenture shall be construed as pledging the faith and credit of the Municipality for the payment of the bonds and coupons.

Section 13.03. RIGHTS AND DUTIES OF THE MUNICIPALITY. Except as otherwise provided in this Indenture, all rights, powers, and privileges conferred and duties imposed upon the Municipality by the provisions of this Indenture shall be exercised or performed by the Board of Mayor and Alderman of the Municipality or by such other governing body of the Municipality as may be provided by law or by such officer or officers of the Municipality as are required by law to exercise such powers or to perform such duties.

This Indenture is executed with the intent that the laws of Tennessee shall govern its construction except as to any Federal questions.

Section 13.04. HEADINGS. Any headings preceding the texts of the several articles hereof and any table of contents or section

headings herein contained are inserted solely for the convenience of reference and shall not constitute any part of the Indenture nor shall they affect any part of its meaning, contents, or effect.

Section 13.05. EXECUTION OF INDENTURE IN COUNTERPARTS.

This Indenture may be simultaneously executed and delivered in any number of counterparts, any of which, when so executed and delivered, shall be deemed to be an original; but such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Municipality, party of the first part, has executed this Indenture by causing its corporate name to be hereunto subscribed by its Mayor and its corporate seal to be hereto affixed and attested by its Register; and the Trustee, party of the second part, to evidence its acceptance of the trust hereby created and in it reposed has caused its corporate name to be hereunto subscribed by one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its _____, all as of the day and year first above written.

TOWN OF COLLIERVILLE, TENNESSEE

(S E A L)

By

D. H. Muller
Mayor

Attest:

James Russell
Register

Witnesses as to Municipality:

Walter L. Lee Jr.
B. Schaefer

First American National Bank of
Nashville, Trustee

(S E A L)

By

J. Green
Vice President

Attest:

H. V. L. H.
Title: _____

Witnesses as to Trustee:

D. D. L. L.
W. H. L.

SCHEDULE "A"

INDENTURE OF MORTGAGE AND DEED OF
TRUST, DATED AS OF MARCH 1, 1967
BETWEEN THE TOWN OF COLLIERVILLE,
TENNESSEE, AND FIRST AMERICAN
NATIONAL BANK OF NASHVILLE, NASH-
VILLE, TENNESSEE

Description of Industrial Building Site:

Located at the southwest corner of Southern Railway and
Byhalia Road, Collierville, Shelby County, Tennessee, and more
particularly described as follows:

Beginning at the intersection of the south line of the
Southern Railway Company's 50 foot right-of-way and the
center line of Byhalia Road, and running thence on a Magnetic
Bearing of South 4 degrees 20 minutes East with the center
line of Byhalia Road 2,535.73 feet to the center line of
the bridge over Nonconnah Creek; thence continuing with the
center line of Byhalia Road South 3 degrees 55 minutes East
978.03 feet to the intersection with the center line of Camp
Road; thence South 85 degrees 39 minutes West with the center
line of Camp Road a measured distance of 1,094.48 feet to a con-
crete monument at an interior corner of the Luther Matthews
89.26 acre tract; thence North 4 degrees 22 minutes West with
Matthew's east line 1,401.51 feet to a concrete monument at
Matthew's northeast corner; thence South 85 degrees 38 minutes
30 seconds West with Matthew's north line a measured distance
of 923.50 feet to a concrete monument at Matthew's northwest
corner, said monument being in the east line of the 78.45
acre tract conveyed from Robert B. Snowden to Dealers Tractor
& Equipment Company by deed of record in Book 4952, page 330,
Shelby County Register's Office; thence North 4 degrees 19
minutes 30 seconds West with the east line of said 78.45 acre
tract 2,405.43 feet to a concrete monument in the south line of
the Southern Railway Company's 50 foot right-of-way; thence
south 86 degrees 07 minutes east along the south line of the
Southern Railway Company's 50 foot right-of-way 2,046.5 feet
to the point of beginning, together with all right, title
and interest of the Municipality in and to the Southern Railway
Company's right-of-way lying south of the center line thereof
and located along the north line of the above described property.

SCHEDULE "B"

INDENTURE OF MORTGAGE AND DEED OF
TRUST, DATED AS OF MARCH 1, 1967,
BETWEEN THE TOWN OF COLLIERVILLE,
TENNESSEE, AND FIRST AMERICAN
NATIONAL BANK OF NASHVILLE,
NASHVILLE, TENNESSEE

Description of Machinery and Equipment:

The following items of Machinery and Equipment manufactured
by Ferro Corporation of Cleveland, Ohio:

Counter-Flow Radiant Tube Continuous Furnace
Furnace Partition Wall
Furnace Conveyor
Single Pass Dryer
Monel Metal Pickle Baskets
Mixing Tank
Dissolver
Mixer and Scale
Shell Laydown Conveyor
Pickle Room Exhaust System
Ground Coat Enamel Delivery System
Pickle Basket Dollies
Automatic Spray Machines
Spray Booths
Mill Room Equipment
Dip Tank Hoists
Furnace Alloy Tools
Cooling Tunnel
Spray Equipment
Pickle Tanks and Dryer

The following items manufactured by Mechanical Handling
Systems, Inc. of Detroit, Michigan:

Power and Free Conveyor System with Carriers
Four 4" I Monoveyors
One Junior Monoveyor

The following items manufactured by Young & Bertke Co.
of Cincinnati, Ohio:

Two two-pass washers
Four line dryers
Seven paint booths
Roof Mounted Bake Oven
Roof Mounted Air make-up Systems for paint room, enamel
plant and pickle room
Water Heater Tank Washer

The following item manufactured by Loudon Machinery
Company of Fairfield, Iowa:

Pickle Room Selectomatic Conveyor System

The following additional item:

Paint Pump Room and Paint Circulating System

STATE OF TENNESSEE }

COUNTY OF ~~SHELBY~~ }

DAVIDSON

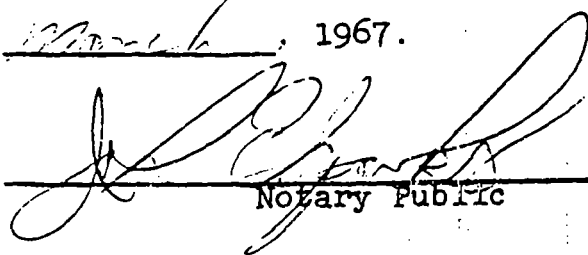
Before me, John E. Sparks, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared A. G. Neville, Jr., and James Russell with both of whom I am personally acquainted, and who, upon their oaths, acknowledged themselves to be the Mayor and Register, respectively, of one of the within named bargainors, the Town of Collierville, Shelby County, Tennessee, and that they, as such Mayor and Register, being authorized so to do, executed the foregoing instrument (INDENTURE OF MORTGAGE AND DEED OF TRUST) for the purposes therein contained, by subscribing thereunto the corporate name of said town and by affixing thereto and attesting the corporate seal of said town by themselves as such Mayor and Register, respectively.

My commission as such Notary Public expires _____

My Commission Expires May 1, 1967

_____, 19____.

WITNESS my hand and notarial seal at office in Collierville, Tennessee, this 30th day of March, 1967.



Notary Public

(S E A L)

STATE OF TENNESSEE }
COUNTY OF DAVIDSON }

Before me, JAN E. SARKIS, a Notary Public duly
elected, commissioned, qualified, and acting in and for the state
and county aforesaid, personally appeared J. W. COLES
and R. L. SMITH, with both of whom I am personally
acquainted and who, upon their oaths, acknowledged themselves to
be a Vice President and a _____, respectively, of
First American National Bank of Nashville, Nashville, Tennessee, the
within named Trustee, and one of the within named bargainors, and
that they, as such Vice President and _____, being
authorized so to do, executed the foregoing instrument (INDENTURE
OF MORTGAGE AND DEED OF TRUST) for the purposes therein contained,
by subscribing thereunto the corporate name of said bank and by
affixing thereto and attesting the corporate seal of said bank by
themselves as such Vice President and _____, respective-
ly.

My commission as such Notary Public expires _____
19____.

WITNESS my hand and seal at office in Nashville, Tennessee,
this 22nd day of March, 1967.

(S E A L)

J. E. Sarkis
Notary Public

WARRANTY DEED

AE 7396

THIS INDENTURE made and entered into this 14th day of December, 1987 by and between MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, party of the first part, and, CARRIER CORPORATION, A CORPORATION EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, party of the second part,

WITNESSETH: That for and in consideration of TEN DOLLARS (\$10.00) cash in hand paid, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, the said party of the first part has bargained and sold and does hereby bargain, sell, convey, and confirm unto the said party of the second part the following described real estate, situated and being in Collierville, County of Shelby, State of Tennessee:

Description of the Carrier 135.785 acre tract, Collierville, Tennessee, more particularly being described by metes and bounds as follows:

Beginning at a cotton picker spindle set in the centerline of Byhalia Road (60 FT. R.O.W.), 25 FT. south of the intersection of said road and the Southern Railroad (50 FT. R.O.W.); thence south 04 degrees, 20 minutes, 00 seconds east along the centerline of said road a distance of 2535.73 FT. to a P.K. nail set; thence south 03 degrees, 55 minutes, 00 seconds east along the centerline of said road a distance of 978.03 FT. to a cotton picker spindle set 562.10 FT. (C=562.98 FT.), north of a P.K. found at the intersection of said road and Collierville Road (Camp Road with no dedicated R.O.W. width); thence south 85 degrees, 40 minutes, 35 seconds west along the northerly line of the L. Mathews Tract (H6-0250) a distance of 1095.05 FT. to a concrete monument found; thence north 04 degrees, 22 minutes, 11 seconds west along the said Mathews tract a distance of 1401.30 FT. (C=1401.51 FT.) to a concrete monument found; thence south 85 degrees, 39 minutes, 05 seconds west along the northerly line of said Mathews Tract a distance of 922.96 FT. (C=923.50 FT.) to a concrete monument found, said monument being the northwesterly corner of said Mathews Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of the Dealers Tractor & Equipment Co. Tract (WD4952-330) a distance of 2079.71 FT. to an iron pin set in the southwesterly corner of the City of Collierville Tract; thence south 86 degrees, 07 minutes 00 seconds east along the southerly line of said city Tract a distance of 600.00 FT. to an iron pin set in the southeasterly corner of said city Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of said city tract a distance of 325.26 FT. to an iron pin set in the southerly R.O.W. line (50 FT. R.O.W.) of the aforesaid railroad; thence south 86 degrees, 07 minutes, 00 seconds east along the southerly R.O.W. line of said railroad a distance of 1446.50 FT. to the point of beginning, containing 135.785 acres.

AND subject to 50 foot ingress and egress easement: Beginning at a point in the centerline of Byhalia Road, said point being 25 feet south of the south R.O.W. line of the Southern Railroad; thence westwardly parallel with said south R.O.W. line a distance of 600 feet to an angle point; thence westwardly a distance of 850 feet more or

less to a point 600 feet east of the east property line of the Dealers Tractor and Equipment Co. property and 110 feet south of the south R.O.W. of the Southern Railroad.

The fifty (50) feet ingress and egress lies 25 feet on either side of the above described line.

AND being part of the same property conveyed to the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, a Municipal Corporation, by Warranty Deed of Record at Book 6102, Page 255 in the Register's Office of Shelby County, Tennessee.

TO HAVE AND TO HOLD the aforesaid real estate together with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto the said party of the second part, its heirs, successors and assigns in fee simple forever.

The said party of the first part does hereby covenant with the said party of the second part that it is lawfully seized in fee of the aforescribed real estate; that it has good right to sell and convey the same that the same is unencumbered except for 1987 city and county taxes; easement for utility lines as recorded Book 1569, Page 318; easements of record at Book 6121, Page 107, Book 6153, Page 210, Book 6172, Page 76, Book 6250, Page 42, Instrument No. C1 5564, Instrument No. P3 8470, Instrument No. V6 0263; easement for ingress and egress of record in Chattel Box 290, Page 435 in the Register's Office of Shelby County, Tennessee, and that the title and quiet possession thereto it will warrant and forever defend against the lawful claims of all persons.

The word "party" as used herein shall mean "parties" if more than one person or entity be referred to, and pronouns shall be construed according to their proper gender and number according to the context hereof.

WITNESS the signature of the party of the first part the day and year first above written.

Herman W. Cox, Jr.
John S. Everett
Jimmy A. Lott

H. Thomas Brooks
S. E. Turnipseed

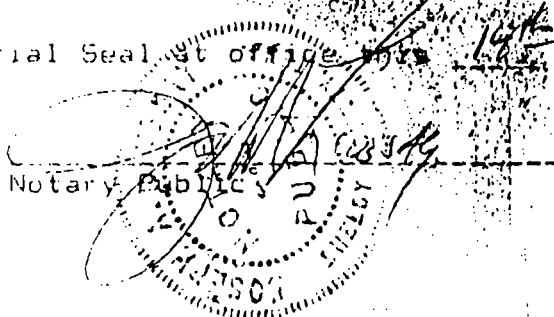
ATTEST:

John Edgar Meeks
 John Meeks, Register

STATE OF TENNESSEE, COUNTY OF SHELBY

Before me, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared HERMAN W. COX., JR., H. THOMAS BROOKS, JOHN MEEKS, SIDNEY TURNIPSEED, JOHN S. EVERETTE, and JIMMY A. LOTT, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed same for the purposes therein contained.

WITNESS my hand and Notarial Seal at office this 14th day of December, 1987.



My commission expires:
 5-20-89

AE 7483

AE 7396

AFFIDAVIT

I/WE hereby swear or affirm that, to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$6,340,000.00 which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

Affiant

SUBSCRIBED and sworn to before me this 14th day of December, 1987.

Notary Public

My commission expires:

5-20-89

(FOR RECORDING DATA ONLY)

Property address: 97 Byhalia Rd., Collierville, TN.

Mail tax bills to:

CARRUR Corporation

TAX DEPARTMENT

P.O. Box 4800

Syracuse, New York 13221

This instrument prepared by: + Return To

FEILD & LIVESAY

Attorneys at Law

239 Adams

Memphis, TN 38103

SHELBY COUNTY
REGISTER OF DEEDS

1987 DEC 16 PM 2:08

AE 7483

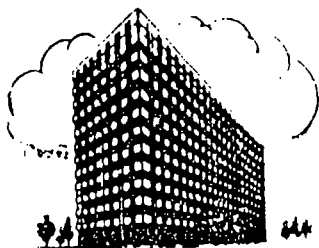
AE 7396

Re-recording

No.	AE 7483
STATE TAX	
REGISTER'S FEE	9.00
RECORDING FEE	
TOTAL	
STATE OF TENNESSEE SHELBY COUNTY GUY B. BATES REGISTER	

No.	AE 7396
STATE TAX	17.15200
REGISTER'S FEE	3.00
RECORDING FEE	9.00
TOTAL	17.6130
STATE OF TENNESSEE SHELBY COUNTY GUY B. BATES REGISTER	

SHELBY COUNTY
REGISTER OF DEEDS
1987 DEC 16 PM 3:40



RECEIPT
SHELBY COUNTY REGISTER

ROOM 519

160 MID AMERICA MALL
MEMPHIS, TENNESSEE 38103

DATE	REF. NO.	AMOUNT	TOTAL
12/16/87	RKAE 7394	**5.00	
	RKAE 7395	**5.00	**10.00

Not Valid Unless Machine-Printed Amounts Are Shown

ACKNOWLEDGEMENT IS MADE OF RECEIPT OF AMOUNT PRINTED ABOVE



GUY B. BATES
COUNTY REGISTER



RECEIPT
SHELBY COUNTY REGISTER

ROOM 519

160 MID AMERICA MALL
MEMPHIS, TENNESSEE 38103

DATE	REF. NO.	AMOUNT	TOTAL
12/16/87	TKAE 7396	**17,752.00	
	FK	**50	
	RK	**9.00	
	MH Y 44	**3.00	**17,764.50

Not Valid Unless Machine-Printed Amounts Are Shown

ACKNOWLEDGEMENT IS MADE OF RECEIPT OF AMOUNT PRINTED ABOVE



GUY B. BATES
COUNTY REGISTER

"OWNER'S AFFIDAVIT"

AFFIDAVIT AND INDEMNITY AGREEMENT AS TO LEASES, CONTRACTS, FIXTURES, ENCUMBRANCES, MECHANICS' LIENS, ETC.

STATE OF TENNESSEE :

COUNTY OF SHELBY :

Before me, the undersigned Notary Public in and for said County and State, personally appeared Herman W. Cox, Jr., Mayor, Town of Collierville, known to me and being first duly sworn, depose(s) and say(s):

1. That Mayor and Alderman of Collierville, Tennessee own(s) the following real property in Shelby County, Tennessee :

135.785 Acres
97 S. Byhalia Road

2. That said owner(s) is/are in possession of said property, and the following is a list of all tenants with rental terms:

NAME

DATE FROM

DATE TO

None

3. That all indebtedness due anyone for labor, materials, or services which might be liens on said property are fully paid, except:

None

4. That no security interest under the Uniform Commercial Code has been perfected against the improvements, except: A3 8587, A3 8588, Book 6147, Page 280, Book 6147, Page 283, all to be released at closing

5. That there are no judgements, pending litigation, executions or attachments in or from any court affecting said property of said owner(s), except:

None

6. That no bankruptcy proceeding in any Federal Court has been filed against or by any owner of said property. There is no outstanding contract of sale, conveyance or encumbrance affecting said property, except:

None

7. That all persons who have executed or will execute instruments conveying or encumbering said property are at least 18 years old and are free from legal disability.

8. That the undersigned make(s) this statement for the express purposes of inducing Mid-South Title Insurance Corporation and Lawyers Title Insurance Corporation to insure title to said property to be free from adverse claims or liens not herein stated, and of enabling said owner(s) to receive the consideration for sale, lease or mortgage of said property. Affiant(s) guarantee and warrant the statements of fact herein, which shall be construed as a continual contractual obligation in favor of said companies.

9. That in consideration of the issuance of title insurance by said companies as aforesaid, the undersigned agree(s) to indemnify and hold harmless said companies against all loss or expense on account of any matter or thing omitted from the foregoing factual statement, including expense of enforcing this agreement.

10. See attached Exhibit "A".

Collierville, Tennessee

By: Herman W. Cox, Jr.
Herman W. Cox, Jr., Mayor

Subscribed and sworn to before me this the 14th day of December, 1987

[Signature]
Notary Public

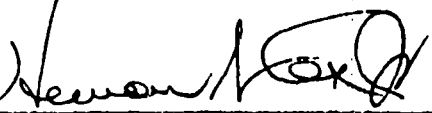
My commission expires: 5-20-89

EXHIBIT "A"

10. That all performance of the Town of Collierville has been completed under Bond issuances of \$5,000,000.00 Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier) of the Municipality by Resolution of the Board of Mayor and Aldermen dated March 1, 1967.

TOWN OF COLLIERVILLE

BY:


Herman W. Cox, Jr., Mayor

RELEASE

AH 3552
7

First American National Bank of Nashville, Nashville, Tennessee, is Trustee under the foregoing documents:

Collierville, Tennessee
Municipal Industrial Building Revenue Bonds
Series 1967
(Carrier Corporation)


<u>DOCUMENT</u>	<u>RECORDED IN TRUST DEED BOOK</u>	<u>PAGE</u>	<u>REGISTER'S OFFICE</u>
<u>UCC-3</u>	<u>Register's No. A3 8587</u>		<u>Shelby County, TN</u>
<u>UCC-3</u>	<u>6147</u>	<u>280</u>	<u>Shelby County, TN</u>
<u>Deed of Trust</u>	<u>6147</u>	<u>316</u>	<u>Shelby County, TN</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

First American National Bank of Nashville, Trustee, being authorized by said documents to execute and deliver a Release and satisfaction thereon upon payment of all indebtedness secured by said documents, and having received from Carrier Corporation funds sufficient to pay all such indebtedness, does hereby release and discharge the lien of said documents.

IN WITNESS WHEREOF, First American National Bank of Nashville has caused its name to be hereunto subscribed by its Asst Vice President and its Corporate Seal to be hereunto affixed and attested by its Trust Officer on the 24th of February, 1988.

FIRST AMERICAN NATIONAL BANK OF NASHVILLE,
NASHVILLE, TENNESSEE

By Betty Lehart Assistant Vice President
Attest: Debra L. Taylor Trust Officer



BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, That the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, for and in consideration of ONE HUNDRED DOLLARS (\$100.00), the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and deliver unto Carrier Corporation, a corporation existing under the laws of the State of Delaware, the following goods, chattels, machinery, and equipment:

See Exhibit A" Attached

TO HAVE AND TO HOLD all and singular the goods and chattels to Carrier Corporation and its assigns to its own use forever.

And, the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, covenants with Carrier Corporation that it is the lawful owner of said goods, chattels, machinery, and equipment; that they are free from all encumbrances; that Grantor has a good right to sell the same as aforesaid; And, that the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, WE, the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, do hereby set our hand this 14th day of December, 1987.

TOWN OF COLLIERVILLE

BY: 

Herman W. Cox, Jr., Mayor

ATTEST:


John Meeks, Register


H. Thomas Brooks, Alderman


Sidney Turnipseed, Alderman


John S. Everett, Alderman

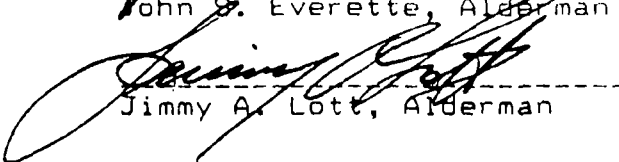

Jimmy A. Lott, Alderman

EXHIBIT "A"

Description of Machinery and Equipment

The following items of Machinery and Equipment manufactured by Ferro Corporation of Cleveland, Ohio:

Counter-Flow Radiant Tube Continuous Furnace
Furnace Partition Wall
Furnace Conveyor
Single Pass Dryer
Monel Metal Pickle Baskets
Mixing Tank
Dissolver
Mixer and Scale
Shell Laydown Conveyor
Pickle Room Exhaust System
Ground Coat Enamel Delivery System
Pickle Basket Dollies
Automatic Spray Machines
Spray Booths
Mill Room Equipment
Dip Tank Hoists
Furnace Alloy Tools
Cooling Tunnel
Spray Equipment
Pickle Tanks and Dryer

The following items manufactured by Mechanical Handling Systems, Inc. of Detroit, Michigan:

Power and Free Conveyor System with Carriers
Four 4" I Monoveyors
One Junior Monoveyor

The following items manufactured by Young & Bertke Co. of Cincinnati, Ohio:

Two two-pass washers
Four line dryers
Seven paint booths
Roof Mounted Bake Oven
Roof Mounted Air make-up Systems for paint room, enamel plant and pickle room
Water Heater Tank Washer

The following items manufactured by Loudon Machinery Company of Fairfield, Iowa:

Pickle Room Selectomatic Conveyor System

The following additional items:

Paint Pump Room and Paint Circulating System

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE made and entered into this the 1st day of April, 1982, by and between the Town incorporated as MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, (hereinafter referred to as the "Lessor"), a municipal corporation situated in Shelby County, Tennessee, and CARRIER CORPORATION (hereinafter referred to as the "Lessee"), a corporation organized under and existing by virtue of the laws of the State of Delaware with its principal office in Syracuse, New York, and duly qualified and authorized to engage in business in the State of Tennessee;

WITNESSETH:

WHEREAS, pursuant to the provisions of the Tennessee Code Annotated, the Lessor acquired certain real property and constructed and equipped an industrial building thereon and to finance the cost thereof, the Board of Mayor and Aldermen of Lessor did, on March 28, 1967, adopt a Resolution authorizing the issuance of Five Million Dollars (\$5,000,000.00) Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier), of the Lessor dated March 1, 1967; and

WHEREAS, the Lessor duly leased said real property to the Lessee as described under and pursuant to that certain Lease dated as of March 1, 1967 by and between the parties hereto; and

WHEREAS, a certain portion of the real property leased by the Lessor to the Lessee containing the Lessor's water plant and a fifty (50) foot ingress and egress easement was mistakenly included in the original Lease and should be excluded therefrom; and

WHEREAS, the parties hereto are desirous of making certain amendments and modifications to said Lease to exclude the water plant and easement from said Lease pursuant to the terms and conditions contained in this Addendum to Lease; and

NOW, THEREFORE, in consideration of the mutual covenants

and promises contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The description of real property leased by Lessor to Lessee in that certain Indenture of Lease dated as of March 1, 1967 by and between the parties hereto and appearing in that certain Schedule A attached thereto, shall be and is hereby amended so as to exclude therefrom that portion of the leased real property described in Schedule I attached hereto. In connection therewith, Lessee does hereby bargain, sell, convey, transfer, assign and confirm unto the Lessor all of Lessee's right, title and interest (including, without limitation, its leasehold interest and option to purchase) in and to said real property described in Schedule I attached hereto.

2. Section 19 of said Lease shall be and is hereby amended so as to exclude that portion of the leased real property described in Schedule I attached hereto from the Lessee's option to purchase said real property, it being understood that Lessee does hereby surrender and relinquish to Lessor its leasehold interest in and its option to purchase that portion of the leased real property described in Schedule I attached hereto.

3. It is expressly understood and agreed that the terms, conditions and covenants of the Indenture of Lease dated as of March 1, 1967, shall remain in full force and effect, and shall in no manner be affected by the execution of this Addendum to Lease except as same are expressly amended, changed or modified herein.

IN WITNESS WHEREOF, the Town of Collierville, Shelby County, Tennessee, acting through its Board of Mayor and Aldermen, has executed this Addendum to Lease by causing its name to be hereunto subscribed by its Mayor and its official seal to be impressed hereon, and attested by its Register; and Carrier Corporation has executed this Addendum to Lease by causing its corporate name to be hereunto subscribed by a Vice - President and its corporate seal

to be impressed hereon and attested by its ^{Asst.} Secretary, pursuant to a Resolution duly adopted by its Board of Directors, all being done as of the year and day first above written.

TOWN OF COLLIERVILLE

by: Herman W. Cox, Jr.
Herman W. Cox, Jr., Mayor

(SEAL)

ATTEST:

John Meeks
John Meeks, Register

CARRIER CORPORATION

by: Stephen P. Munn
Stephen P. Munn (Title)
Vice President & Chief Financial Officer

(SEAL)

ATTEST:

Karen A. Arthur
Karen A. Arthur
Assistant Secretary

STATE OF TENNESSEE

COUNTY OF SHELBY

Before me, Mary Lee Burley, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared HERMAN W. COX, JR. and JOHN MEEKS with both of whom I am personally acquainted, and who, upon their oaths, acknowledged themselves to be the Mayor and Register, respectively, of the Town of Collierville, Shelby County, Tennessee, one of the within named bargainors, and that they, as such Mayor and Register, being authorized so to do, executed the foregoing instrument (Addendum to Lease) for the purposes therein contained, by subscribing thereunto the corporate name of said Town and by affixing thereto and attesting the corporate seal of said Town by themselves as such Mayor and Register, respectively.

WITNESS my hand and Notarial Seal at office in Collierville, Tennessee, this 13th day of April, 1982.

Mary Lee Burley
Notary Public

My Commission Expires:

8-23-82

STATE OF NEW YORK
COUNTY OF ONONDAGA

Before me, Karen A. Daniels, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared Stephen P. Munn and Karen A. Arthur, with both of whom I am personally acquainted and who, upon their oaths, acknowledged themselves to be a Vice President and Secretary, respectively, of Carrier Corporation, one of the within named bargainors, and that they as such Vice President and Secretary, being authorized so to do, executed the foregoing instrument (Addendum to Lease) for the purposes therein contained, by subscribing thereunto the corporate name of said corporation and by affixing thereto and attesting the corporate seal of said corporation by themselves as such Vice President and Asst. Secretary, respectively.

WITNESS my hand and Notarial Seal at office in Syracuse, NY, this 1st day of April, 1982.

Karen A. Daniels
Notary Public

My Commission Expires:

March 30, 1983

KAREN A. DANIELS
Notary Public in the State of New York
Qualified in Onondaga County No. 4741289
My Commission Expires March 30, 1983

SCHEDULE I

The real property described herein together with the appurtenances, hereditaments and improvements thereto.

DEALERS TRACTOR & EQUIPMENT COMPANY

POINT OF BEGINNING: PROPERTY LINE DESCRIPTION

Copy 3 of An
Original and 4 Copies

Centerline description of a 50 foot ingress and egress easement.

Beginning at a point in the centerline of Byhalia Road, said point being 25 feet south of the south R.O.W. line of the Southern Railroad; thence westwardly parallel with said south R.O.W. line a distance of 600 feet to an angle point; thence westwardly a distance of 850 feet more or less to a point 600 feet east of the east property line of the Dealers Tractor and Equipment Co. property and 110 feet south of the south R.O.W. of the Southern Railroad.

The fifty (50) foot ingress and egress lies 25 feet on either side of the above described line.

SOUTHERN RAILROAD
RIGHT-OF-WAY

§ SOUTHERN RAILROAD

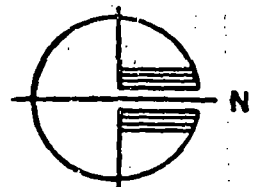
§ 18' WIDE
GRAVEL ROAD

Property line description of part of the City of Collierville property in Collierville, Shelby County, Tennessee.

Beginning at the point of intersection of the east line of the Dealer Tractor and Equipment Company property and the south line of the Southern Railroad R.O.W., said point being located approximately 2063.16 feet westwardly from the center line of Byhalia Road; thence eastwardly along said south line a distance of 600 feet to a point; thence southwardly parallel to said east line a distance of 300 feet to a point; thence westwardly parallel to said south line a distance of 600 feet to a point in said east line; thence northwardly along said east line a distance of 300 feet to the point of beginning and containing 4.1 acres of land more or less.

NOTE:
PROPERTY LINE
DESCRIPTION. THIS IS
NOT A SURVEY OF THE
SUBJECT PROPERTY.

CITY OF
COLLIERVILLE



INGRESS & EGRESS
EASEMENT

§ BYHALIA ROAD

POINT OF BEGINNING: INGRESS AND EGRESS EASEMENT



Gregory - Grace
AND ASSOCIATES INCORPORATED

ENGINEERING PLANNING ARCHITECTURE LANDSCAPE ARCHITECTURE
2000 E. Main Street, Suite 100, Memphis, Tennessee 38114-2000
MEMPHIS, TENNESSEE (901) 521-1111

#51406 file copy

EXHIBIT A

L E A S E

THIS INDENTURE OF LEASE made and entered into as of this 1st day of March, 1967, by and between the town incorporated as "MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE" ("Lessor"), a municipal corporation situated in Shelby County, Tennessee, and CARRIER CORPORATION ("Lessee"), a corporation organized under and existing by virtue of the laws of the State of Delaware with its principal office in Syracuse, New York, and duly qualified and authorized to engage in business in the State of Tennessee;

W I T N E S S E T H:

That the Lessor does hereby lease to the Lessee and the Lessee hereby rents from the Lessor upon the terms and conditions hereinafter set forth the tract of land described in Schedule A attached hereto and made a part hereof by reference, together with the industrial building to be constructed thereon and all easement and appurtenances thereunto belonging and in anywise appertaining, together with certain machinery and equipment to be purchased and installed by the Lessor in said industrial building, which machinery and equipment is described in Schedule B attached hereto and made a part hereof by reference. Said leased land, industrial building and equipment is hereinafter sometimes called "the leased premises."

The terms and conditions of this lease are as follows:

Section 1. Industrial Building to be Constructed. Lessor agrees to issue and sell \$5,000,000 principal amount of its Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier) ("the Bonds"), dated March 1, 1967, to be secured by and to contain such terms and conditions as are set forth in that certain Indenture of Mortgage and Deed of Trust ("the Indenture") dated as of March 1, 1967, between Lessor and First American National Bank of Nashville, Nashville, Tennessee, as Trustee, a copy of which has been delivered to the Lessee. From the proceeds thereof Lessor shall construct an

Draft of 3/22/67

industrial building on the leased land for the use and occupancy of Lessee and install therein the machinery and equipment described in Schedule B, heretofore approved by the parties, and which are by reference hereby made a part of this Section 1. It is understood that said plans and specifications are neither complete nor final, and that the Lessee may make such additions to or changes in said plans and specifications as it deems necessary, if such additions or changes shall have approval by the Lessor and the Trustee, which approval shall not be unreasonably withheld, Lessor shall proceed with the construction of the industrial building and the acquisition and installation of said machinery and equipment as expeditiously as practicable so that Lessee may obtain full possession of the leased premises at the earliest practicable date. No contracts for the construction of the industrial building or the purchase of machinery and equipment shall be let by the Lessor without the prior written consent of the Lessee.

Upon the completion of such industrial building and the payment of all expenses therefor payable from the proceeds of the Bonds, any surplus of such bond proceeds shall be held and disbursed by the Trustee as provided in the Indenture. Expenses payable from the proceeds of the Bonds shall include cost of land acquisition, site preparation, architectural and engineering fees, construction of the industrial building, cost and installation of painting and enameling equipment, and legal, administrative and financing expenses, Trustee's fees and all other cost or expense related thereto.

The Lessee agrees that in the event the cost of such acquisition and construction exceeds the amount derived from the sale of the Bonds it will pay all costs in excess of such amount.

Section 2. Fixtures. The Lessee may during the progress of such construction, or at any time or times during the terms of this lease, install or commence the installation of any machinery, equipment or fixtures in addition to that to be installed by the

Lessor, to such extent as the Lessee may deem desirable, and the Lessee may also remove any machinery, equipment or fixtures so installed by it, provided, however, that such installation or removal shall not in any way damage such building unless the Lessee shall promptly repair such damage. Neither such installation nor the removal shall be construed as an acceptance of the building or any part thereof by the Lessee.

The Lessee may at all times and from time to time upon written notice to the Lessor and the Trustee sell or otherwise dispose of any machinery or equipment installed in the industrial building by the Lessor and described in Schedule B when the same shall become obsolete, worn-out or unnecessary for the purposes of the Lessee; provided that the book value before deducting depreciation of all the indentured property remaining after such removal (and taking into account replacements, if any) shall be at least equal to the principal amount of the Bonds then outstanding under the Indenture, less moneys in the hands of the Trustee and available for the payment of principal of the Bonds, and the disposal of such property will not interfere with the operation of or impair the use of the indentured property; and provided further, that the proceeds of any such sale or disposition of property shall either be applied by the Lessee to the purchase of machinery, equipment and apparatus to replace that so sold or otherwise disposed of to at least the then same current value (the determination of value by the Lessee to be regarded prima facie the then current value of such machinery, equipment or apparatus so sold or otherwise disposed of) or said proceeds to the extent not so used, so long as any of the Bonds are outstanding and unpaid, shall be paid to the Trustee under the Indenture and disbursed as therein provided, but in no event need the amount of such proceeds paid to the Trustee exceed the amount of all unpaid installments of basic rental as hereinafter defined. The title to all such replacement machinery, equipment and apparatus shall be vested in the Lessor.

Any property paid for and installed by the Lessee to replace machinery, equipment or apparatus originally paid for and installed by the Lessee shall be the property of the Lessee and may be removed by the Lessee as heretofore in this Section 2 provided. Not later than January 1 of each year during the original term hereof, the Lessee shall furnish the Trustee under the Indenture with a written statement identifying all property of the Lessor sold or otherwise disposed of during the preceding fiscal year of the Lessee ending October 31, and the manner of disposition and the price received therefor, and further identifying any replacement machinery, equipment or apparatus and the price paid therefor. Each such statement shall be accompanied by an opinion by counsel for the Lessee to the effect that such replacement machinery, equipment or apparatus is subject to the lien of the Indenture and is otherwise unencumbered.

Section 3. Term. The original term of this lease shall begin on the date first above written and shall continue for a period ending February 28, 1987, unless sooner terminated as hereinafter provided.

Upon the expiration of the original term, this lease may be renewed or extended at the option of the Lessee for eight (8) additional five (5) year terms at an annual rental of \$100.00, payable on or before March 1 of each year during such term, unless and until notice be given in writing by the Lessee at least 30 days before the end of the original term of this lease, or any renewal or extension thereof, of its intention to terminate the lease at the end of such period, in which event the lease shall terminate in accordance with such notice.

All provisions of this lease shall apply during such renewal term or terms except that when all of the Bonds shall have been retired, the rights and duties of the Trustee under the Indenture shall cease, Sections 2, 6 and 10 herein shall not apply, and

the Lessee, upon payment to the Lessor of any delinquent rent or other payments due hereunder, shall have the sole right to any insurance proceeds or condemnation award without obligation to restore or rebuild.

Section 4. Rental. The basic rental to be paid by Lessee during the original term of this lease shall be composed of certain payments to be made by Lessee to the Trustee under the Indenture, which payments are referred to herein as "basic rental."

During the original term of this lease Lessee binds itself to pay to the Trustee or successor trustee for the account of Lessor basic rental for the periods, in the amounts and at the times set forth in Schedule C to this lease.

Any accrued interest received upon the sale of the Bonds and deposited in the Sinking Fund created by the Indenture and all earnings from investment of the Sinking Fund by the Trustee shall be applied by the Trustee and credited to the Lessee as partial payment of the next succeeding basic rental payment due hereunder.

All unpaid installments of basic rental due hereunder may at the option of the Lessee be paid in whole or in part in advance of the payment dates herein, provided, if the leased premises or any part thereof shall at any time during the term hereof have been damaged or destroyed or shall have been taken or condemned by any competent public authority to such an extent that such leased premises shall have been, in the sole judgment of the Lessee, thereby rendered unsuitable for economic usage thereof by the Lessee, the provisions of Section 11 shall apply.

The term "all unpaid installments of basic rental" for the purposes of this lease shall mean an amount equal to the entire principal amount of the then outstanding Bonds, together with all applicable redemption premiums and interest accrued and to accrue on and prior to the next succeeding date on which such Bonds can

be called for redemption, but deducting from such amount the aggregate amounts then on deposit in the Sinking Fund and money on deposit in the Construction Fund (to the extent that the money in such fund has not theretofore been committed for construction purposes) created by the Indenture (including earnings resulting from investment of the Sinking Fund by the Trustee); provided, that

(a) No redemption premium shall be applicable if Lessee elects to pay in advance all unpaid installments of basic rental in lieu of its obligation to repair, restore, re-equip or reconstruct as provided in Section 11; and

(b) In the event Lessee shall exercise its option to purchase pursuant to Section 19, the sole applicable redemption premium (expressed as a percentile of the principal amount of the Bonds to be called for redemption) shall be as follows:

September 1, 1967 to September 1, 1971	- 5%
September 2, 1971 to September 1, 1976	- 4%
September 2, 1976 to September 1, 1979	- 3%
September 2, 1979 to September 1, 1982	- 2%
September 2, 1982 to September 1, 1985	- 1%
September 2, 1985 and thereafter	- 0%

Section 5. Possession. The Lessor agrees to place the Lessee in full possession of the leased premises immediately upon the completion of the said industrial building or earlier by mutual agreement, but the payment of basic rentals hereunder by the Lessee shall nevertheless commence at the time hereinbefore set forth.

Section 6. Use of Premises. Insofar as it is practicable under existing conditions the leased premises shall be used substantially for manufacturing operations and shall not be used alone for warehousing, as it is one of the purposes of this lease that

the operation of the leased premises by the Lessee will provide employment for a substantial number of persons. The Lessor agrees that such uses are and will continue to be lawful uses under all applicable zoning laws and regulations. The Lessee agrees that in the operation of the industrial building it will at all times comply with all applicable sanitary and safety laws, rules and regulations, will commit no nuisance upon the leased premises and will permit no nuisance to be committed thereon by others. It shall not be a breach of this section hereof if the Lessee fails to comply with such laws, rules and regulations during any period in which the Lessee shall in good faith be contesting the validity of such laws, rules and regulations. The Lessee further agrees that it will not cause the title of the Lessor to be encumbered other than by the execution and delivery of this lease.

Section 7. Insurance. The Lessee agrees to keep the industrial building upon the leased land and the machinery and equipment leased hereunder insured against loss or damage by fire, wind-storm, hail, explosion, riots, civil commotion, aircraft, vehicles, smoke, malicious mischief, vandalism and such other casualties and events as may from time to time be covered under uniform extended coverage, in such amount or amounts and in such form that the proceeds of such insurance in the event of the total destruction of said building, machinery and equipment will equal 100% of the insurable value of the leased premises; and the Lessee agrees to pay the premiums on such insurance and to keep such insurance in full force and effect during the entire term of this lease. All insurance policies shall have standard mortgage clauses attached, payable to the Trustee or its successor trustee under the Indenture, as the interest of such Trustee or successor trustee may appear; and all such insurance shall be in companies satisfactory to said Trustee or successor trustee and authorized to transact business in the

State of Tennessee. Such insurance money, if any, received by the Trustee shall be disbursed in accordance with the provisions of this lease and the Indenture. Duplicate copies or certificates of each policy of insurance shall be furnished to the Lessor and the Trustee for their records and complete lists of all insurance policies then in force setting forth the names of the companies, and the character, amount and expiration of each policy shall be deposited by the Lessee with the Lessor and the Trustee on or before March 1 of each year.

Lessee shall have the right to insure under separate policies, in such amounts as it may determine, all machinery, equipment, furniture or other personal property owned by Lessee and located in the industrial building, and the proceeds of any such insurance shall be payable solely to Lessee.

Section 8. Repair, Trustee's Fees, and Taxes. The Lessee agrees that during the term of this lease it will keep the leased premises in good repair at its sole cost, will pay all fees of the Trustee under the Indenture, and will pay all taxes lawfully levied against the leased premises, and upon the expiration or termination of this lease or any extension or renewal hereof it will surrender the leased premises unto the Lessor in as good condition as prevailed at the time it was put in full possession thereof, ordinary wear and tear and the events described in Section 11 hereof excepted. To the extent that it may lawfully do so, the Lessor covenants that it will not levy any taxes against the leased premises during the original or any renewal term hereof.

Section 9. Additional Buildings. The Lessee shall have the privilege of erecting any additional building or buildings and of remodeling the buildings or improvements on the leased premises from time to time as it may determine in its discretion to be desirable for its uses and purposes, provided that such remodeling shall not damage the basic structure of the industrial building or

materially decrease its value, with no obligation to restore or return the premises to their original condition, but the cost of such new building or buildings and improvements and remodeling shall be paid for by it, and upon the expiration or termination of this lease or any extension or renewal hereof said new building or buildings or improvements shall belong to and be the property of the Lessor, subject, however, to the right of the Lessee to remove from the leased premises at any time before the expiration or termination of this lease and while it is in good standing with reference to the payment of basic rental and performance of its other obligations hereunder, all machinery, fixtures, equipment and appliances placed in or upon the leased premises by the Lessee (other than replacements of machinery and equipment covered by the lien of the Indenture), but the Lessee shall promptly repair any damage to the industrial building caused by such removal.

The Lessee shall also have the privilege at its own expense to make any alterations to the industrial building that it may deem necessary or advisable, with no obligation to restore the industrial building or return it to its original condition, provided that such alterations shall not damage the basic structure of the industrial building or materially decrease its value.

Section 10. Quiet Possession. The Lessor covenants and agrees that it has good and marketable title in fee simple to the leased premises; that the same are unencumbered and will remain unencumbered except by this lease, the Indenture and the exceptions enumerated in the opinion of title dated March 3, 1967 by Abe D. Waldauer, Attorney of Memphis, Tennessee; and that it will keep the Lessee in quiet and peaceable possession and enjoyment of the leased premises during the entire term of this lease.

Section 11. Damage to or Destruction or Condemnation of the Premises. In the event of damage to or destruction of the leased premises or the taking or condemnation of the leased premises in whole or in part by any competent authority for any public or quasi-public use or purpose, the parties agree that they will pay over or cause to be paid over to the Trustee, promptly when collected or received, any insurance proceeds and the entire amount of the award or compensation or damages recovered on account of each and every such taking or condemnation, less any expenses, including counsel fees, incurred by Lessor and Lessee in litigating, arbitrating, compromising or settling any claim arising out of such condemnation, and it is further agreed that there shall be no abatement or reduction in the rent payable by the Lessee except as herein expressly provided, and the Lessee shall repair, re-equip, restore or reconstruct the industrial building in a manner suitable for its needs as it may elect, but the building so repaired, restored or reconstructed and the machinery and equipment replaced, shall be equal to the depreciated value of the same at the time of such damage, destruction or condemnation, provided, the Lessee shall not be required to expend more than the amount of the insurance proceeds or the condemnation award. Notwithstanding the foregoing, any award or compensation or damages to Lessee by reason of its leasehold interest in the leased premises (including any compensation for moving expenses) are recognized to be property of Lessee and shall be retained by Lessee. Any money received as proceeds of any insurance carried upon the industrial building or the net proceeds of any award or compensation for the damages recovered on account of such taking or condemnation shall be paid to the Lessee in the manner provided in the Indenture in order that the Lessee may promptly repair, re-equip, restore or reconstruct the industrial building to meet its current needs, and in such case any net proceeds of insurance or

condemnation award in excess of the cost and expense of such repair, restoration, re-equipment or reconstruction shall be disbursed as provided in the Indenture. In lieu of the obligation of the Lessee to repair, re-equip, restore or reconstruct the industrial building the Lessee may pay in advance all unpaid installments of basic rental due hereunder as provided in Section 4 hereof, and if such advance rental payment shall be in the amount required by Section 4, the Lessee shall not be required to repair, re-equip, restore or reconstruct such building, and if Lessee has paid Lessor all other sums due and owing under the provisions of this lease, this lease shall at the option of the Lessee cease and determine.

Section 12. The Lessor and the Lessee agree to cooperate and consult with each other in all matters pertaining to the settlement or adjustment of any claim or demand for damages on account of any taking or condemnation of the leased premises or any part thereof. The Lessor covenants and agrees, to the extent that it may lawfully do so, that it will not, during the term of this lease and any renewal or extension thereof, condemn or attempt to condemn the leased premises or any part thereof.

Section 13. The Lessee covenants that at all times it will protect and hold the Lessor harmless against claims for losses, damage or injury, including death of or injury to the person or damage to the property of others resulting from any wrongful or negligent act or default of the Lessee, its agents, servants or employees, in, on or about the leased premises, including sidewalks and driveways thereof, or for any other violations by Lessee of the terms of this lease; and it is understood and agreed that the Lessor shall not be liable for any damage or injury to the persons or property of the Lessee or its agents, servants or employees or any other person who may be upon the leased premises due to any act or negligence of any person other than the employees, servants or agents of

the Lessor, nor for damage caused by fire, water, steam, gas, snow, sewage, electric current or by the breaking, leaking or destruction of pipes or by any explosion; and that all personal property brought upon the leased premises by the Lessee, its servants, agents or employees shall be at the sole risk of the Lessee or its agents, servants or employees and the Lessor shall not be liable for any damage thereto or destruction thereof.

Section 14. No Abatement of Basic Rental. Except as herein expressly provided in Section 11, this lease shall not terminate or be affected in any manner by reason of the condemnation, destruction or damage in whole or in part of the leased premises, or by reason of the unusability of the leased premises or any portion thereof, or by reason of the fact that the industrial building to be provided by the Lessor shall not for any cause have been completed in whole or in part or by reason of the sale of a portion of the leased premises to the Lessee; and the basic rental reserved in this lease shall be paid to the Trustee in accordance with the terms, covenants and conditions of this lease without abatement, diminution or reduction.

Section 15. Default by Lessee. The Lessee shall be in default under this lease if one or more of the following events shall occur:

(a) The Lessee shall default in the payment of any of the rentals provided to be paid hereunder and such default shall continue for 10 days;

(b) The Lessee shall default in the observance or performance of any other covenant, condition, agreement or provision hereof and which shall not be remedied within 90 days after notice of such default by the Lessor to the Lessee specifying wherein Lessee has failed to perform any such covenant, condition, agreement or provision;

(c) The Lessee shall become insolvent or bankrupt or shall admit in writing its inability to pay its debts as they shall mature, or shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of a trustee or receiver for the Lessee, or for a major part of its property;

(d) A trustee or receiver shall have been appointed for the Lessee or for a major part of its property and shall not be discharged within 60 days after such appointment, excluding any period in which such appointment shall be stayed upon appeal or otherwise;

(e) Sixty days shall have expired after the entry by a court of competent jurisdiction of an order approving a petition seeking reorganization, readjustment, arrangement, composition or other similar relief as to the Lessee under the Federal bankruptcy laws or any similar law for the relief of debtors, but such period of 60 days shall not include any period during which such order shall be stayed upon appeal or otherwise.

In the event of default by the Lessee as provided above, then in any such case the Lessor may at its option exercise any one or more of the following remedies:

(a) Lessor may terminate this lease by giving Lessee notice of Lessor's intention so to do, in which event the term of this lease or any renewal or extension thereof shall end, and all right, title and interest of Lessee hereunder shall expire on the date stated in such notice;

(b) Lessor may terminate the right of Lessee to possession of the leased premises by giving notice to Lessee that Lessee's right of possession shall end on the date stated in such notice, whereupon the right of Lessee to the possession of the leased premises or any part thereof shall cease on the date stated in such notice;

(c) Lessor may enforce the provisions of this lease and may enforce and protect the right of Lessor hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy.

If Lessor exercises either of the remedies provided for in subparagraphs (a) and (b) above, Lessor may then or at any time thereafter reenter and take complete and peaceful possession of the leased premises, with or without process of law, and may remove all persons therefrom, and Lessee covenants that in any such event it will peacefully and quietly yield up and surrender the leased premises to Lessor.

If Lessor terminates the right of possession as provided in subparagraph (b) above, Lessor may reenter the leased premises and take possession of all thereof and shall exert its best efforts to sublet or relet the leased premises or any part thereof from time to time for all or any part of the unexpired part of the then term hereof, or for a longer period, and Lessor shall collect the rents from such reletting or subletting, and apply the same, first, to the payment of the expense of reentry and reletting, and, secondly, to the rentals herein provided to be paid by Lessee, and in the event that the proceeds of such reletting or subletting are not sufficient to pay in full the foregoing, Lessee shall remain and be liable therefor, and Lessee promises and agrees to pay the amount of any such deficiency from time to time, and Lessor may at any time and from time to time sue and recover judgment for any such deficiency or deficiencies.

In the event of the termination of this lease by Lessor as provided for by subparagraph (a) above, Lessor shall be entitled to recover from Lessee all the unpaid installments of basic rental accrued and unpaid for the period up to and including such

termination date, as well as all other additional sums payable by Lessee, or for which Lessee is liable or in respect of which Lessee under any of the provisions hereof has agreed to indemnify Lessor, which may be then owing and unpaid (but not including installments of rent falling due after such termination date), and all costs and expenses, including court costs and reasonable attorneys' fees incurred by Lessor in the enforcement of its rights and remedies hereunder.

Section 16. Force Majeure. In case by reason of Force Majeure either party hereto shall be rendered unable wholly or in part to carry out its obligations under this lease, other than the obligations of the Lessee to make the rental payments required under the terms hereof, then if such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice, other than the obligation of the Lessee to pay basic rental, so far as they are affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure", as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or the State of Tennessee or the State of New York or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, transmission pipes or canals, partial or entire failure of utilities, or any other cause not reasonably within the control of the party claiming such

inability. It is understood and agreed that the settlement of strike and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such course is unfavorable in the judgment of the party having the difficulty.

Section 17. Remedies of Lessor. The Lessee agrees that the rights and remedies of the Lessor under this lease shall be cumulative and shall not exclude any other rights and remedies of the Lessor allowed by law, and the failure to insist upon a strict performance of any of the covenants or agreements herein set forth or to declare a forfeiture for any violation thereof shall not be considered or taken as a waiver or relinquishment for the future of the Lessor's rights to insist upon a strict compliance by the Lessee with all the covenants and conditions hereof, or of the Lessor's right to declare a forfeiture for a violation of any covenant or condition if such violation be continued or repeated.

Section 18. Assignment and Subletting. The Lessee may assign this lease, or sublet the whole or any part of the leased premises, without the consent of the Lessor, provided, however, that notwithstanding such assignment or subletting, the Lessee shall nevertheless remain primarily liable for the payment of basic rental and performance of the other obligations of the Lessee hereunder.

In the event the Lessee (a) shall merge or consolidate with any other corporation or (b) transfer all or substantially all of its business and assets to another corporation, which in any such case succeeds to all or substantially all of the business and assets of the Lessee, such successor corporation shall succeed to and be substituted for the Lessee with the same effect as if it had

been named herein as the Lessee.

Section 19. Lessee's Option to Purchase Entire Leased Premises. As part of the consideration for the execution of this lease by the Lessee, the Lessor hereby gives the Lessee, while the Lessee is in good standing with reference to all obligations hereunder, the exclusive option at any time during the original term or any renewal or extension thereof to purchase the entire leased premises for a sum equal to all unpaid installments of basic rental, if any, as defined in Section 4 hereof, plus \$100.00. The Lessee may exercise such option while it is in good standing by giving the Lessor at least 60 days written notice in advance of the date on which the Lessee elects to close such purchase and by tendering to the Trustee or successor trustee under the Indenture a certified check or checks of the Lessee drawn to the order of the Lessor for the total purchase price (or if there shall be no unpaid installments of basic rental due at the time of the exercise of such option, by tendering such check or checks to the Lessor).

In the event this option shall be exercised, the Lessor shall convey to the Lessee (a) good and marketable title in fee simple to the leased land, industrial building and all improvements and appurtenances thereunto pertaining, free and clear of all encumbrances whatsoever except those in existence on the date of this lease and those caused by Lessee and (b) by bill of sale with customary warranties good title to the Schedule B machinery and equipment leased hereunder, free and clear of all encumbrances whatsoever,

Section 20. Release of Portion of Leased Land. In the event that any portion of the industrial building site shall be released from the lien of the Indenture in accordance with the

provisions thereof, the description of land herein leased appearing in Schedule A attached hereto shall be amended so as to exclude that portion of the leased land so released.

Section 21. Additional Financing. When requested in writing by Lessee so to do, Lessor will use its best efforts to sell and issue additional bonds under the provisions of the Industrial Building Revenue Bond Act of 1951 and secured by the Indenture for the purpose of constructing additional buildings or additions or improvements (including equipment) to the industrial building or buildings on the leased land or completing the same or for enlarging the industrial building site. Such additional bonds may be issued from time to time but not exceeding the aggregate principal amount of \$5,000,000, and only to the extent that Lessor and Lessee shall have entered into an amendment to this lease providing rentals at least sufficient to pay principal of and interest on all bonds then outstanding and proposed to be issued and to the extent that the restrictive provisions of Section 5.11 of the Indenture have been complied with. Such amendment to this lease shall effect no changes to this lease other than to provide adequate rentals to pay such outstanding Bonds and proposed bonds, and to extend the original term and other provisions hereof to the extent necessary to pay such outstanding Bonds and proposed bonds. Providing the foregoing conditions of this Section 21 are complied with by the parties hereto, Lessor and Lessee each agree to enter into such an amendment to this lease. The proceeds of such additional bonds shall be used by Lessor for the purposes for which such bonds shall have been issued, all in accordance with plans and specifications agreed upon by Lessor and Lessee.

Section 22. Notices. All notices from either party shall be in writing and sent by registered or certified mail, return receipt requested, or delivered during business hours to Lessor at the City Hall, Collierville, Tennessee, Attention Mayor, or if

intended for Lessee, then to Lessee at the office of its General Counsel, Carrier Parkway, Syracuse, New York 13201, or to such other address for either of the aforesaid parties as such party may hereafter indicate by written notice to the party to give notice.

Section 23. This Indenture of Lease may be simultaneously executed and delivered in any number of counterparts, any of which when so executed and delivered, shall be deemed to be an original; but such counterparts together shall constitute but one and the same instrument.

Section 24. Severability. In the event that any section, paragraph, or provision of this lease shall be held to be invalid, such invalidity shall not affect the validity or enforceability of the remaining provisions of this lease.

IN TESTIMONY WHEREOF, Town of Collierville, Shelby County, Tennessee, acting through its Board of Mayor and Aldermen, has executed this Indenture of Lease by causing its name to be hereunto subscribed by its Mayor, and its official seal to be impressed hereon, and attested by its Register; and Carrier Corporation has executed this Indenture of Lease by causing its corporate name to be hereunto subscribed by its Vice President and its corporate seal to be impressed hereon and attested by its Secretary, pursuant to a resolution duly adopted by its Board of Directors, all being done as of the year and day first above written.

TOWN OF COLLIERVILLE

(SEAL)

By

Mayor

Attest:

Register

CARRIER CORPORATION

(SEAL)

By

President

Attest:

Secretary

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule A

Description of Industrial Building Site:

Located at the southwest corner of Southern Railway and Byhalia Road, Collierville, Shelby County, Tennessee, and more particularly described as follows:

Beginning at the intersection of the south line of the Southern Railway Company's 50 foot right-of-way and the center line of Byhalia Road, and running thence on a Magnetic Bearing of South 4 degrees 20 minutes East with the center line of Byhalia Road 2,535.73 feet to the center line of the bridge over Nonconnah Creek; thence continuing with the center line of Byhalia Road South 3 degrees 55 minutes East 978.03 feet to the intersection with the center line of Camp Road; thence South 85 degrees 39 minutes West with the center line of Camp Road a measured distance of 1,094.48 feet to a concrete monument at an interior corner of the Luther Matthews 89.26 acre tract; thence North 4 degrees 22 minutes West with Matthew's east line 1,401.51 feet to a concrete monument at Matthew's northeast corner; thence South 85 degrees 38 minutes 30 seconds West with Matthew's north line a measured distance of 923.50 feet to a concrete monument at Matthew's northwest corner, said monument being in the east line of the 78.45 acre tract conveyed from Robert B. Snowden to Dealers Tractor & Equipment Company by deed of record in Book 4952, page 330, Shelby County Register's Office; thence North 4 degrees 19 minutes 30 seconds West with the east line of said 78.45 acre tract 2,405.43 feet to a concrete monument in the south line of the Southern Railway Company's 50 foot right-of-way; thence south 86 degrees 07 minutes east along the south line of the Southern Railway Company's 50 foot right-of-way 2,046.5 feet to the point of beginning, together with all right, title and interest of the Lessor in and to the Southern Railway Company's right-of-way lying south of the center line thereof and located along the north line of the above described property.

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule B

Description of Machinery and Equipment

The following items of Machinery and Equipment manufactured
by Ferro Corporation of Cleveland, Ohio:

Counter-Flow Radiant Tube Continuous Furnace
Furnace Partition Wall
Furnace Conveyor
Single Pass Dryer
Monel Metal Pickle Baskets
Mixing Tank
Dissolver
Mixer and Scale
Shell Laydown Conveyor
Pickle Room Exhaust System
Ground Coat Enamel Delivery System
Pickle Basket Dollies
Automatic Spray Machines
Spray Booths
Mill Room Equipment
Dip Tank Hoist
Furnace Alloy Tools
Cooling Tunnel
Spray Equipment
Pickle Tanks and Dryer

The following items manufactured by Mechanical Handling
Systems, Inc. of Detroit, Michigan:

Power and Free Conveyor System with Carriers
Four 4" I Monoveyors
One Junior Monoveyor

The following items manufactured by Young & Bertke Co.
of Cincinnati, Ohio:

Two two-pass washers
Four line Dryers
Seven paint booths
Roof Mounted Bake Oven
Roof mounted Air make-up Systems for paint room, enamel
plant and pickle room
Water Heater Tank Washer

The following item manufactured by Loudon Machinery
Company of Fairfield, Iowa:

Pickle Room Selectomatic Conveyor System

The following additional item:

Paint Pump Room and Paint Circulating System

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule C - Basic Rentals

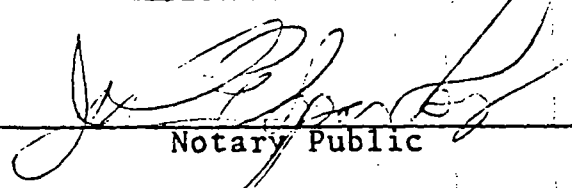
<u>Date</u>	<u>Basic Rental</u>
8/15/67	\$129,500.00
2/15/68	379,500.00
8/15/68	123,250.00
2/15/69	373,250.00
8/15/69	117,000.00
2/15/70	367,000.00
8/15/70	110,750.00
2/15/71	360,750.00
8/15/71	104,375.00
2/15/72	354,375.00
8/15/72	98,000.00
2/15/73	348,000.00
8/15/73	91,625.00
2/15/74	341,625.00
8/15/74	85,125.00
2/15/75	335,125.00
8/15/75	78,625.00
2/15/76	328,625.00
8/15/76	72,125.00
2/15/77	322,125.00
8/15/77	65,625.00
2/15/78	315,625.00
8/15/78	59,062.50
2/15/79	309,062.50
8/15/79	52,500.00
2/15/80	302,500.00
8/15/80	45,937.50
2/15/81	295,937.50
8/15/81	39,375.00
2/15/82	289,375.00
8/15/82	32,812.50
2/15/83	282,812.50
8/15/83	26,250.00
2/15/84	276,250.00
8/15/84	19,687.50
2/15/85	269,687.50
8/15/85	13,125.00
2/15/86	263,125.00
8/15/86	6,562.50
2/15/87	256,562.50

STATE OF TENNESSEE)
COUNTY OF Daviess)

Before me, John E. Roberts, a Notary Public
regularly elected, commissioned, qualified and acting in and for the
State and County aforesaid, personally appeared A. G. Neville, Jr.
and James Russell, with both of whom I am personally acquainted, and
who, upon their oaths, acknowledged themselves to be the Mayor and
Register, respectively, of the Town of Collierville, Shelby County,
Tennessee, one of the within named bargainors, and that they, as such
Mayor and Register, being authorized so to do, executed the foregoing
instrument (INDENTURE OF LEASE) for the purposes contained therein,
by subscribing thereto the name of said town and by affixing thereto
and attesting the official seal of said town by themselves as such
Mayor and Register, respectively.

My commission as such Notary Public expires _____
_____, 19__.

WITNESS my hand and notarial seal at office in Nashville
_____, Tennessee, this 20th day of March, 1967.



Notary Public

(S E A L)

STATE OF NEW YORK
COUNTY OF ONONDAGA }

Before me, Barbara A. Clark, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared CLARENCE E. TORREY and JAMES H. GREENE, with both of whom I am personally acquainted and who, upon their oaths, acknowledged themselves to be a Vice President and an Assistant Secretary, respectively, of Carrier Corporation, Syracuse, New York, the within named Lessee, and one of the within named bargainors, and that they, as such Vice President and Assistant Secretary, being authorized so to do, executed the foregoing instrument (INDENTURE OF LEASE) for the purposes therein contained, by subscribing thereunto the corporate name of said corporation and by affixing thereto and attesting the corporate seal of said corporation by themselves as such Vice President and Assistant Secretary, respectively.

My commission as such Notary Public expires March 30, 1968.

WITNESS my hand and seal at office in Syracuse, New York, this 29th day of March, 1967.

(S E A L)

Barbara A. Clark
Notary Public
BARBARA A. CLARK
Notary Public in the State of New York
Qualified in Onondaga Co. No. 34-57044
My Commission Expires March 30, 1968

Interoffice Letter



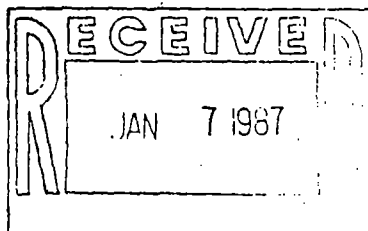
Roger Lewandowski (B)
Nels Gratzner (B)

Date: September 28, 1977

From: Roger Beaupre'

Office: Manufacturing Engineering

Subject: Lagoon - Northwest Corner
of Plant Site



RECEIVED

MAR 23 1987

LAW DIVISION

Three years ago we were denied a permit from the City of Memphis for pumping certain tanks and clarifier pit effluent into the city sewer intercepts. This was due to the start-up of the new city municipal treatment plant and restrictions by EPA of dumping this effluent into sewers going to rivers and streams.

The City of Collierville Engineer agreed that we could establish a lagoon on our property (as far as practical from Nonconnah Creek) for this effluent and sludge on a temporary basis until water treatment facilities (either ours or municipal) are available.

The alternative is to have a bonded firm haul the effluent to an EPA approved land fill which can be very expensive as there are none in this area.

We have told the maintenance and production departments to stop dumping oil and tri-chlorethylene into the sewer system as this compounds the problem tremendously, as the lagoon will take a long time to clarify (if ever) with these materials. Without them, it could clean up in probably a week or two. In any event, it is a bad practice.

It is doubtful if the City of Collierville's future water treatment plant will ever allow us to dump these effluents as they now exist. We will undoubtedly have to do some treatment in the near future.

D.R. Beaupre'

DRB/js



**UNITED
TECHNOLOGIES
CARRIER**

Carrier Corporation

Carrier Parkway
P.O. Box 4800
Syracuse, New York 13221

Vault
July 6, 1987

Honorable Herman Wright Cox, Mayor
City of Collierville, Tennessee
City Hall, 101 Walnut Street
Collierville, Tennessee 38107

Dear Mayor Cox:

Re: Indenture of Lease, dated March 1, 1987, between
the town incorporated as "MAYOR AND ALDERMEN OF
COLLIERVILLE, TENNESSEE" ("Lessor") and CARRIER
CORPORATION, ("Lessee").

Would you kindly reference the above-mentioned Indenture of Lease, particularly section 19, titled, "Lessee's Option To Purchase Entire Leased Premises." Pursuant to this section, please take notice that the Lessee hereby exercises its option to purchase the leased premises, as described in Schedule A to the Lease, including all industrial buildings, improvements and appurtenances therewith, and all machinery and equipment leased under said Lease, as described in Schedule B to the Lease.

Lessee hereby represents, warrants and covenants to and with Lessor that all rentals, which were payable during the term of the Lease, have been paid; and that to the best of its knowledge and belief, Lessee is in good standing with reference to all obligations under the Lease.

There is enclosed a check in the amount of One Hundred Dollars (\$100.00) which sum represents the agreed upon purchase price (section 19, of the Lease) for the leased premises and personal property.

On behalf of the Lessee, I would be most appreciative if the Lessor would provide Carrier the following documents:

1. Warranty Deed - evidencing good and marketable title in fee simple to the leased land, industrial buildings and all improvements and appurtenances thereunto pertaining, free and clear of all encumbrances whatsoever except those in existence on the date of the Lease and those caused by the Lessee;
2. Bill of Sale with customary warranties of good title as pertains to all personal property leased to the Lessee free and clear of all encumbrances of whatsoever nature;
3. Termination statements (U.C.C. 3) of any and all existing security interest with respect to any personal property leased to the Lessee;
4. Satisfaction of any mortgage or other lien, prepared in recordable form, against the fee;
5. Title insurance; and
6. Surveyor's report.

Enclosed herewith is a check, in the amount of \$100.00, which represents the purchase price for the entire lease premises, industrial buildings and all improvements and appurtenances thereon; and all equipment, machinery and all other personal property.

I am most appreciative of the services and cooperation the City of Collierville, Tennessee have afforded Carrier Corporation in this matter. Would you kindly acknowledge receipt of this letter in the space reserved below and return a copy to the undersigned.

Very truly yours,
Carrier Corporation

By: Donald E. Gulick
Donald E. Gulick
Vice President and Controller

ACKNOWLEDGMENT
MAYOR AND Aldermen of
Collierville, Tennessee.

By: Herman Kox Jr

Title: Mayor

Date: 7-9-87

/la

Enclosure

sm-ml.18

WARRANTY DEED

AE 7396

THIS INDENTURE made and entered into this 14th day of December, 1987 by and between MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, party of the first part, and, CARRIER CORPORATION, A CORPORATION EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, party of the second part,

WITNESSETH: That for and in consideration of TEN DOLLARS (\$10.00) cash in hand paid, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, the said party of the first part has bargained and sold and does hereby bargain, sell, convey, and confirm unto the said party of the second part the following described real estate, situated and being in Collierville, County of Shelby, State of Tennessee:

Description of the Carrier 135.785 acre tract, Collierville, Tennessee, more particularly being described by metes and bounds as follows:

Beginning at a cotton picker spindle set in the centerline of Byhalia Road (60 FT. R.O.W.), 25 FT. south of the intersection of said road and the Southern Railroad (50 FT. R.O.W.); thence south 04 degrees, 20 minutes, 00 seconds east along the centerline of said road a distance of 2535.73 FT. to a P.K. nail set; thence south 03 degrees, 55 minutes, 00 seconds east along the centerline of said road a distance of 978.03 FT. to a cotton picker spindle set 562.10 FT. (C=562.98 FT.), north of a P.K. found at the intersection of said road and Collierville Road (Camp Road with no dedicated R.O.W. width); thence south 85 degrees, 40 minutes, 35 seconds west along the northerly line of the L. Mathews Tract (H6-0250) a distance of 1075.05 FT. to a concrete monument found; thence north 04 degrees, 22 minutes, 11 seconds west along the said Mathews tract a distance of 1401.30 FT. (C=1401.51 FT.) to a concrete monument found; thence south 85 degrees, 39 minutes, 05 seconds west along the northerly line of said Mathews Tract a distance of 922.96 FT. (C=923.50 FT.) to a concrete monument found, said monument being the northwesterly corner of said Mathews Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of the Dealers Tractor & Equipment Co. Tract (WD4952-330) a distance of 2079.71 FT. to an iron pin set in the southwesterly corner of the City of Collierville Tract; thence south 86 degrees, 07 minutes 00 seconds east along the southerly line of said city Tract a distance of 600.00 FT. to an iron pin set in the southeasterly corner of said city Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of said city tract a distance of 325.26 FT. to an iron pin set in the southerly R.O.W. line (50 FT. R.O.W.) of the aforesaid railroad; thence south 86 degrees, 07 minutes, 00 seconds east along the southerly R.O.W. line of said railroad a distance of 1446.50 FT. to the point of beginning, containing 135.785 acres.

AND subject to 50 foot ingress and egress easement: Beginning at a point in the centerline of Byhalia Road, said point being 25 feet south of the south R.O.W. line of the Southern Railroad; thence westwardly parallel with said south R.O.W. line a distance of 600 feet to an angle point; thence westwardly a distance of 850 feet more or

AE 7483

AE 7396

less to a point 600 feet east of the east property line of the Dealers Tractor and Equipment Co. property and 110 feet south of the south R.O.W. of the Southern Railroad.

The fifty (50) feet ingress and egress lies 25 feet on either side of the above described line.

AND being part of the same property conveyed to the MAYOR AND ALDERMEN OF COLLIERSVILLE, TENNESSEE, a Municipal Corporation, by Warranty Deed of Record at Book 6102, Page 255 in the Register's Office of Shelby County, Tennessee.

TO HAVE AND TO HOLD the aforesaid real estate together with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto the said party of the second part, its heirs, successors and assigns in fee simple forever.

The said party of the first part does hereby covenant with the said party of the second part that it is lawfully seized in fee of the aforescribed real estate; that it has good right to sell and convey the same that the same is unencumbered except for 1987 city and county taxes; easement for utility lines as recorded Book 1567, Page 318; easements of record at Book 6121, Page 107, Book 6153, Page 218, Book 6172, Page 76, Book 6250, Page 42, Instrument No. E1 5664, Instrument No. P3 8470, Instrument No. V6 0263; easement for ingress and egress of record in Chattel Box 278, Page 405 in the Register's Office of Shelby County, Tennessee, and that the title and quiet possession thereto it will warrant and forever defend against the lawful claims of all persons.

The word "party" as used herein shall mean "parties" if more than one person or entity be referred to, and pronouns shall be construed according to their proper gender and number according to the context hereof.

WITNESS the signature of the party of the first part the day and year first above written.

James D. Cox, Jr.
John S. Everett
Sidney Turnipseed
H. Thomas Brooks
S. E. Turnipseed

ALTES:

John Edger Meeks
John Meeks, Register

STATE OF TENNESSEE, COUNTY OF SHELBY

Before me, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared HERMAN W. COX, JR., H. THOMAS BROOKS, JOHN MEEKS, SIDNEY TURNIPSEED, JOHN S. EVERETTE, and JIMMY A. LOTT, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed same for the purposes therein contained.

WITNESS my hand and Notarial Seal at office this 19th day of December, 1987.

[Signature]
Notary Public
SHELBY COUNTY, TENNESSEE
1987

My commission expires:

5-20-89

AE 7483

AE 7396

AFFIDAVIT

I/WE hereby swear or affirm that, to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$6,340,000.00 which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

John L. Field
Affiant

SUBSCRIBED and sworn to before me this 14th day of December, 1987.

Joseph M. Livesay
Notary Public

My commission expires:

5-20-89

(FOR RECORDING DATA ONLY)

Property address: 97 Byhalia Rd., Collierville, TN.

Mail tax bills to:

CARRIAR CORPORATION

TAX DEPARTMENT

P.O. Box 4800

Syracuse, New York 13221

This instrument prepared by: + RETURN TO

FEILD & LIVESAY

Attorneys at Law

239 Adams

Memphis, TN 38103

SHELBY COUNTY
REGISTER OF DEEDS

1987 DEC 16 PM 2:08

AE 7483

AE 7396

Re-recording

No.	AE 7483
STATE TAX	
REGISTER'S FEE	<u>900</u>
RECORDING FEE	
TOTAL	
STATE OF TENNESSEE	
SHELBY COUNTY	
GUY D. RATES	
REGISTER	
By	<u>D. Eston</u>

SHELBY COUNTY
REGISTER OF DEEDS

1987 DEC 16 PM 3:40

No.	AE 7396
STATE TAX	<u>11,152.00</u>
REGISTER'S FEE	<u>50</u>
RECORDING FEE	<u>900</u>
TOTAL	<u>11767.00</u>
STATE OF TENNESSEE	
SHELBY COUNTY	
GUY D. RATES	
REGISTER	
By	<u>[Signature]</u>

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, That the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, for and in consideration of ONE HUNDRED DOLLARS (\$100.00), the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and deliver unto Carrier Corporation, a corporation existing under the laws of the State of Delaware, the following goods, chattels, machinery, and equipment:

See Exhibit A Attached

TO HAVE AND TO HOLD all and singular the goods and chattels to Carrier Corporation and its assigns to its own use forever.

And, the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, covenants with Carrier Corporation that it is the lawful owner of said goods, chattels, machinery, and equipment; that they are free from all encumbrances; that Grantor has a good right to sell the same as aforesaid; And, that the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, WE, the MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, A MUNICIPAL CORPORATION, do hereby set our hand this 14th day of December, 1987.

TOWN OF COLLIERVILLE

BY: 

Herman W. Cox, Jr., Mayor

ATTEST:


John Meeks, Register


H. Thomas Brooks, Alderman


Sidney Turnipseed, Alderman


John S. Everette, Alderman

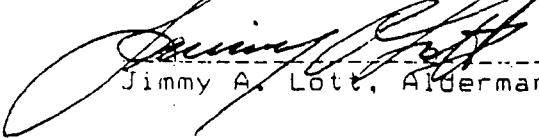

Jimmy A. Lott, Alderman

EXHIBIT "A"

Description of Machinery and Equipment

The following items of Machinery and Equipment
manufactured by Ferro Corporation of Cleveland, Ohio:

Counter-Flow Radiant Tube Continuous Furnace
Furnace Partition Wall
Furnace Conveyor
Single Pass Dryer
Monel Metal Pickle Baskets
Mixing Tank
Dissolver
Mixer and Scale
Shell Laydown Conveyor
Pickle Room Exhaust System
Ground Coat Enamel Delivery System
Pickle Basket Dollies
Automatic Spray Machines
Spray Booths
Mill Room Equipment
Dip Tank Hoists
Furnace Alloy Tools
Cooling Tunnel
Spray Equipment
Pickle Tanks and Dryer

The following items manufactured by Mechanical Handling
Systems, Inc. of Detroit, Michigan:

Power and Free Conveyor System with Carriers
Four 4" I Monoveyors
One Junior Monoveyor

The following items manufactured by Young & Bertke Co.
of Cincinnati, Ohio:

Two two-pass washers
Four line dryers
Seven paint booths
Roof Mounted Bake Oven
Roof Mounted Air make-up Systems for paint room,
enamel plant and pickle room
Water Heater Tank Washer

The following items manufactured by Loudon Machinery
Company of Fairfield, Iowa:

Pickle Room Selectomatic Conveyor System

The following additional items:

Paint Pump Room and Paint Circulating System

1 Debtor (Last Name First) and address

Carrier Corporation
Syracuse, New York 13221

2 Secured Party and address

Town of Collierville
Townhall
Collierville TennesseeFor Filing Officer
(Date, Time, Number, and Filing Office)

AE 7394

SHELBY COUNTY
REGISTER OF DEEDS

4 This statement refers to original Financing Statement No.

Book 6147, Page 283

Dated

March 14, 1967

19 67

Date filed: March 30, 1967

19

AE 7394

Shelby County

Register's Office

5 ☐ Continuation.

The original financing statement between the foregoing Debtor and Secured Party, bearing file number shown above, is still effective.

6 ☒ Termination.

Secured party no longer claims a security interest under the financing statement bearing file number shown above.

7 ☐ Assignment.

The secured party's right under the financing statement bearing file number shown above to the property described in Item 10 have been assigned to the assignee whose name and address appears in Item 10.

8 ☐ Amendment.

Financing Statement bearing file number shown above is amended as set forth in Item 10.

9 ☐ Release.

Secured Party releases the collateral described in Item 10 from the financing statement bearing file number shown above.

AE 7394

No.

STATE TAX

REGISTER'S FEE

RECORDING FEE 50.00

TOTAL

STATE OF TENNESSEE

SHELBY COUNTY

GUY B. SATES

REGISTER

By

19

D.R.

TOWN OF COLLIERVILLE

Signature of Debtor if an Amendment

Dated:

Signature(s) of Secured Party(ies)

(1) Filing Officer Copy - Alphabetical

1 Debtor (Last Name First) and address

Carrier Corporation
Syracuse, New York 13221

2 Secured Party and address

Town of Collierville
Townhall
Collierville, TennesseeFor Filing Officer
(Date, Time, Number, and Filing Office)

AE 7395

SHELBY COUNTY
REGISTER OF DEEDS4 This statement refers to original Financing Statement No. A3 8588 Dated March 1, 19 67Date filed: March 30 19 67 Filed with Shelby County Register's Office 2:065 ☐ Continuation

The original financing statement between the foregoing Debtor and Secured Party, bearing file number shown above, is still effective.

6 ☒ Termination.

Secured party no longer claims a security interest under the financing statement bearing file number shown above.

7 ☐ Assignment.

The secured party's right under the financing statement bearing file number shown above to the property described in Item 10 have been assigned to the assignee whose name and address appears in Item 10.

8 ☐ Amendment.

Financing Statement bearing file number shown above is amended as set forth in Item 10.

9 ☐ Release.

Secured Party releases the collateral described in Item 10 from the financing statement bearing file number shown above.

No. **AE 7395**

STATE TAX

REGISTER'S FEE

RECORDING FEE 500

TOTAL

STATE OF TENNESSEE

SHELBY COUNTY

GUY B. SALES

REGISTER

Signature of Debtor if an Amendment

By

D.R.

Dated: _____, 19 _____

Town of Collierville

Signature(s) of Secured Party(ies)

(1) Filing Officer Copy - Alphabetical

TO: SAM MORROW, CARRIER CORPORATION
FROM: ROSCOE A. FEILD, JR., ATTORNEY AT LAW
DATE: 15 DECEMBER 1987

BUYER'S ACCOUNT

Recording Warranty Deed-----	\$9.00
Transfer Tax (state)-----	\$17,752.50
Proration to Taxes (city)-----	\$2,366.01
for 1987 (county)-----	\$3,939.88
Proration of Tax Agreement-----	\$9,493.33
Oct. 1 thru Dec. 15	
Mid South Title Policy-----	\$12,591.50
Ashworth Engineering Co.-----	\$5,500.00
(survey)	
Proration of Personalty Taxes-----	\$3,696.24
for 1987	
Attorney fees-----	\$8,000.00
Recording UCC-1 filing/release-----	\$10.00
 TOTAL-----	 \$63,358.46

Sam:

These prorations are based on December 16 through December 31. I mentioned to you that Collierville questioned whether or not the prorations should begin October 1st. They had previously agreed to December 16th.

A handwritten signature, possibly "D. Mc", is written in ink at the bottom center of the page.

Mid-South Title

MEMPHIS, TENNESSEE

Lawyers Title

RICHMOND, VIRGINIA

INSURANCE CORPORATIONS

Policy Number

288856

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HEREOF, MID-SOUTH TITLE INSURANCE CORPORATION, a Tennessee corporation, and LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Companies, jointly and severally, insure as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Companies may become obligated to pay hereunder, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. Any defect in or lien or encumbrance on such title;
3. Lack of a right of access to and from the land; or
4. Unmarketability of such title.

IN WITNESS WHEREOF the Companies have caused this Policy to be signed and sealed, to be valid when schedule A is countersigned by an authorized officer or agent of the Companies, all in accordance with their By-Laws.

Lawyers Title Insurance Corporation

Robert E. Dawson

President.

ATTEST:

Robert G. Lea

Secretary.



Mid-South Title Insurance Corporation

W. D. Sorenson, Jr.

Chairman

Attest:



Charles A. Dwyer

Secretary.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy:

1. (a) Governmental police power.
(b) Any law, ordinance or governmental regulation relating to environmental protection.
(c) Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part.
(d) The effect of any violation of the matters excluded under (a), (b), or (c) above, unless notice of a defect, lien or encumbrance resulting from a violation has been recorded at Date of Policy in those records in which under state statutes deeds, mortgages, judgment liens or lis pendens must be recorded in order to impart constructive notice to purchasers of the land for value and without knowledge.
2. Rights of eminent domain unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Companies and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Companies prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

CONDITIONS AND STIPULATIONS

1. Definition of Terms

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A, and subject to any rights or defenses the Companies may have had against the named insured, those who succeed to the interest of such insured by operation of law as distinguished from purchase, including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.
- (b) "insured claimant": an insured claiming loss or damage hereunder.
- (c) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.
- (d) "land": the land described, specifically or by reference in Schedule A, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "public records": those records which by law impart constructive notice of matters relating to said land.

2. Continuation of Insurance after Conveyance of Title

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured so long as such insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

3. Defense and Prosecution of Actions—Notice of Claim to be given by an Insured Claimant

(a) The Companies, at their own cost and without undue delay, shall provide for the defense of an insured in all litigation consisting of actions or proceedings commenced against such insured, or a defense interposed against an insured in an action to enforce a contract for a sale of the estate or interest in said land, to the extent that such litigation is founded upon an alleged defect, lien, encumbrance, or other matter insured against by this policy.

(b) The insured shall notify the Companies promptly in writing (i) in case any action or proceeding is begun or defense is interposed as set forth in (a) above, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Companies may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If such prompt notice shall not be given to the Companies, then as to such insured all liability of the Companies shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice the rights of any such insured under this policy unless the Companies shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Companies shall have the right at their own cost to institute and without undue delay prosecute any action or proceeding or to do any other act which in their opinion may be necessary or desirable to establish the title to the estate or interest as insured, and the Companies may take any appropriate action under the terms of this policy, whether or not they shall be liable thereunder, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Companies shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Companies may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserve the right, in their sole discretion, to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Companies to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Companies the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Companies to use, at their option, the name of such insured for such purpose. Whenever requested by the Companies, such insured shall give the Companies all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and the Companies shall reimburse such insured for any expense so incurred.

4. Notice of Loss—Limitation of Action

In addition to the notices required under paragraph 3(b) of these Conditions and Stipulations, a statement in writing of any loss or damage for which it is claimed the Companies are liable under this policy shall be furnished to the Companies within 90 days after such loss or damage shall have been determined and no right of action shall accrue to an insured claimant until 30 days after such statement shall have been furnished. Failure to furnish such statement of loss or damage shall terminate any liability of the Companies under this policy as to such loss or damage.

5. Options to Pay or Otherwise Settle Claims

The Companies shall have the option to pay or otherwise settle for or in the name of the insured claimant any claim insured against or to terminate all liability and obligations of the Companies hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment, by the insured claimant and authorized by the Companies.

6. Determination and Payment of Loss

(a) The liability of the Companies under this policy shall in no case exceed the least of:

- (i) the actual loss of the insured claimant; or
- (ii) the amount of insurance stated in Schedule A.

(b) The Companies will pay, in addition to any loss insured against by this policy, all costs imposed upon an insured in litigation carried on by the Companies for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Companies.

(c) When liability has been definitely fixed in accordance with the conditions of this policy, the loss or damage shall be payable within 30 days thereafter.

M I D - S O U T H T I T L E / L A W Y E R S T I T L E
MEMPHIS, TENNESSEE RICHMOND, VIRGINIA

INSURANCE CORPORATIONS

Schedule A

OWNER'S POLICY

CASE NUMBER	DATE OF POLICY	AMOUNT OF INSURANCE	POLICY NUMBER
288856	December 16, 1987 at 3:40 o'clock P.M.	\$*6,340,000.00	288856

THE POLICY NUMBER
SHOWN ON THE >
SCHEDULE MUST AGREE
WITH THE PREPRINTED
NUMBER ON THE COVER
SHEET.

1. Name of Insured:

CARRIER CORPORATION, a corporation existing under the laws of the State of Delaware

2. The estate or interest in the land described herein and which is covered by this policy is:

Fee Simple created by Warranty Deed recorded under Register's No. AE 7396 and re-recorded under Register's No. AE 7483 in the Register's Office of Shelby County, Tennessee.

3. The estate or interest referred to herein is at Date of Policy vested in:

CARRIER CORPORATION, a corporation existing under the laws of the State of Delaware

4. The land referred to in this policy is described as follows:

SECOND CIVIL DISTRICT, SHELBY COUNTY, TENNESSEE
SEE RIDER ATTACHED FOR LEGAL DESCRIPTION


Countersignature Authorized Officer or Agent

This Policy is invalid unless the cover sheet and Schedule B are attached.

Memphis, TN

Issued at (Location)

Mid-South Title

MEMPHIS, TENNESSEE

Lawyers Title

RICHLAND, VIRGINIA

INSURANCE CORPORATIONS

RIDER

Schedule A - 4 Cont'd.

Description of the Carrier 135.785 acre tract, Collierville, Tennessee, more particularly being described by metes and bounds as follows:

Beginning at a cotton picker spindle set in the centerline of Byhalia Road (60 FT. R.O.W.), 25 FT. south of the intersection of said road and the Southern Railroad (50 FT. R.O.W.); thence south 04 degrees, 20 minutes, 00 seconds east along the centerline of said road a distance of 2535.73 FT. to a P.K. nail set; thence south 03 degrees, 55 minutes, 00 seconds east along the centerline of said road a distance of 978.03 FT. to a cotton picker spindle set 562.10 FT. (C=562.98 FT.), north of a P.K. found at the intersection of said road and Collierville Road (Camp Road with no dedicated R.O.W. width); thence south 85 degrees, 40 minutes, 35 seconds west along the northerly line of the L. Mathews Tract (H6-0250) a distance of 1095.05 FT. to a concrete monument found; thence north 04 degrees, 22 minutes, 11 seconds west along the said Mathews tract a distance of 1401.30 FT. (C=1401.51 FT.) to a concrete monument found; thence south 85 degrees, 39 minutes, 05 seconds west along the northerly line of said Mathews Tract a distance of 922.96 FT. (C=923.50 FT.) to a concrete monument found, said monument being the northwesterly corner of said Mathews Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of the Dealers Tractor & Equipment Co. Tract (WD4952-330) a distance of 2079.71 FT. to an iron pin set in the southwesterly corner of the City of Collierville Tract; thence south 86 degrees, 07 minutes 00 seconds east along the southerly line of said city Tract a distance of 600.00 FT. to an iron pin set in the southeasterly corner of said city Tract; thence north 04 degrees, 19 minutes, 16 seconds west along the easterly line of said city tract a distance of 325.26 FT. to an iron pin set in the southerly R.O.W. line (50 FT. R.O.W.) of the aforesaid railroad; thence south 86 degrees, 07 minutes, 00 seconds east along the southerly R.O.W. line of said railroad a distance of 1446.50 FT. to the point of beginning,

M I D - S O U T H T I T L E / L A W Y E R S T I T L E
MEMPHIS, TENNESSEE RICHMOND, VIRGINIA

INSURANCE CORPORATIONS

CASE NUMBER	DATE OF POLICY	THE POLICY NUMBER SHOWN ON THIS SCHEDULE MUST AGREE > WITH THE PREPRINTED NUMBER ON THE COVER SHEET.	OWNER'S POLICY POLICY NUMBER
288856	December 16, 1987 at 3:40 o'clock P.M.		288856

Schedule B

This policy does not insure against loss or damage by reason of the following:

1. Rights or claims of parties in possession, not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Any discrepancies, conflicts, encroachments, servitudes, shortages in area and boundaries or other facts which a correct survey would show.
4. The lien of the following general and special taxes for the year or years specified and subsequent years: NONE.
5. Easements of record in Book 6121, Page 107; Book 6153, Page 218; Book 6172, Page 76; Book 6250, Page 42; and under Register's Nos. E1 5664; P3 8470 & V6 0263 in the Register's Office of Shelby County, Tennessee.
6. Easement for utility lines of record in Book 1569, Page 318 in said Register's Office.
7. Easement for ingress and egress of record in Chattel Book 298, Page 435 in said Register's Office.
8. Rights of upper and lower riparian owners in and to the use of the waters of Nonconnah Creek and the natural flow thereof.
9. Rights of Southern Railroad to extend its full charter width.

CONDITIONS AND STIPULATIONS — CONTINUED

7. Limitation of Liability

No claim shall arise or be maintainable under this policy (a) if the Companies, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise, remove such defect, lien or encumbrance or establish the title, as insured, within a reasonable time after receipt of such notice; (b) in the event of litigation until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily assumed by an insured in settling any claim or suit without prior written consent of the Companies.

8. Reduction of Liability

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Companies.

9. Liability Noncumulative

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Companies may pay under any policy insuring either (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy; or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy. The Companies shall have the option to apply to the payment of any such mortgages any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

10. Apportionment

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of said parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each such parcel by the Companies and the insured at the time of the issuance of this policy and shown by an express statement herein or by an endorsement attached hereto.

11. Subrogation Upon Payment or Settlement

Whenever the Companies shall have settled a claim under this policy, all right of subrogation shall vest in the Companies unaffected by any act of the insured claimant. The Companies shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and if requested by the Companies, such insured claimant shall transfer to the Companies all rights and remedies against any person or property necessary in order to perfect such right of subrogation and shall permit the Companies to use the name of such insured claimant in any transaction or litigation involving such rights or remedies. If the payment does not cover the loss of such insured claimant, the Companies shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Companies, in the event, shall be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Companies by reason of the impairment of the right of subrogation.

12. Liability Limited to this Policy

This instrument together with all endorsements and other instruments, if any attached hereto by the Companies is the entire policy and contract between the insured and the Companies.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or an action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Companies.

13. Notices, Where Sent

All notices required to be given the Companies and any statement in writing required to be furnished to the Companies shall include the number of this policy and shall be addressed to the Home Office of Mid-South Title Insurance Corporation, One Commerce Square, Suite 1200, Memphis, Tennessee 38103.

Mid-South Title
MEMPHIS, TENNESSEE

Lawyer's Title
RICHMOND, VIRGINIA

INSURANCE CORPORATIONS

Owner's Policy of Title Insurance

Mid-South Title
and
Lawyers Title
Insurance Corporations

A word of thanks to our Insured ...

As we make your policy a part of our permanent records, we want to express our appreciation of this evidence of your faith in Mid-South Title and Lawyers Title Insurance Corporations.

There is no recurring premium.

This policy provides valuable title protection and we suggest you keep it in a safe place where it will be readily available for future reference.

If you have any questions about the protection provided by this policy or wish to contact us for any other reason, write to:

Mid-South Title Insurance Corporation
One Commerce Square
Memphis, Tennessee 38103

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE made and entered into this the
1st day of April, 1982, by and between the Town incorpo-
rated as MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE, (hereinafter
referred to as the "Lessor"), a municipal corporation situated in
Shelby County, Tennessee, and CARRIER CORPORATION (hereinafter re-
ferred to as the "Lessee"), a corporation organized under and
existing by virtue of the laws of the State of Delaware with its
principal office in Syracuse, New York, and duly qualified and
authorized to engage in business in the State of Tennessee;

WITNESSETH:

WHEREAS, pursuant to the provisions of the Tennessee Code
Annotated, the Lessor acquired certain real property and constructed
and equipped an industrial building thereon and to finance the cost
thereof, the Board of Mayor and Aldermen of Lessor did, on March
28, 1967, adopt a Resolution authorizing the issuance of Five
Million Dollars (\$5,000,000.00) Municipal Industrial Building Revenue
Bonds, Series 1967 (Carrier), of the Lessor dated March 1, 1967;
and

WHEREAS, the Lessor duly leased said real property to the
Lessee as described under and pursuant to that certain Lease dated
as of March 1, 1967 by and between the parties hereto; and

WHEREAS, a certain portion of the real property leased by
the Lessor to the Lessee containing the Lessor's water plant and
a fifty (50) foot ingress and egress easement was mistakenly in-
cluded in the original Lease and should be excluded therefrom; and

WHEREAS, the parties hereto are desirous of making certain
amendments and modifications to said Lease to exclude the water
plant and easement from said Lease pursuant to the terms and con-
ditions contained in this Addendum to Lease; and

NOW, THEREFORE, in consideration of the mutual covenants

and promises contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The description of real property leased by Lessor to Lessee in that certain Indenture of Lease dated as of March 1, 1967 by and between the parties hereto and appearing in that certain Schedule A attached thereto, shall be and is hereby amended so as to exclude therefrom that portion of the leased real property described in Schedule I attached hereto. In connection therewith, Lessee does hereby bargain, sell, convey, transfer, assign and confirm unto the Lessor all of Lessee's right, title and interest (including, without limitation, its leasehold interest and option to purchase) in and to said real property described in Schedule I attached hereto.

2. Section 19 of said Lease shall be and is hereby amended so as to exclude that portion of the leased real property described in Schedule I attached hereto from the Lessee's option to purchase said real property, it being understood that Lessee does hereby surrender and relinquish to Lessor its leasehold interest in and its option to purchase that portion of the leased real property described in Schedule I attached hereto.

3. It is expressly understood and agreed that the terms, conditions and covenants of the Indenture of Lease dated as of March 1, 1967, shall remain in full force and effect, and shall in no manner be affected by the execution of this Addendum to Lease except as same are expressly amended, changed or modified herein.

IN WITNESS WHEREOF, the Town of Collierville, Shelby County, Tennessee, acting through its Board of Mayor and Aldermen, has executed this Addendum to Lease by causing its name to be hereunto subscribed by its Mayor and its official seal to be impressed hereon, and attested by its Register; and Carrier Corporation has executed this Addendum to Lease by causing its corporate name to be hereunto subscribed by a Vice - President and its corporate seal

Asst.
to be impressed hereon and attested by its/ Secretary, pursuant to
a Resolution duly adopted by its Board of Directors, all being done
as of the year and day first above written.

TOWN OF COLLIERVILLE

by: Herman W. Cox, Jr.
Herman W. Cox, Jr., Mayor

(SEAL)

ATTEST:

John Meeks
John Meeks, Register

CARRIER CORPORATION

by: Stephen P. Munn (Title)
Vice President & Chief Financial Officer

(SEAL)

ATTEST:

Karen A. Arthur
Karen A. Arthur
Assistant Secretary

STATE OF TENNESSEE

COUNTY OF SHELBY]

Before me, Mary Lee Burley, a Notary Public duly
elected, commissioned, qualified, and acting in and for the state
and county aforesaid, personally appeared HERMAN W. COX, JR. and
JOHN MEEKS with both of whom I am personally acquainted, and who,
upon their oaths, acknowledged themselves to be the Mayor and Register,
respectively, of the Town of Collierville, Shelby County, Tennessee,
one of the within named bargainors, and that they, as such Mayor and
Register, being authorized so to do, executed the foregoing instru-
ment (Addendum to Lease) for the purposes therein contained, by sub-
scribing thereunto the corporate name of said Town and by affixing
thereto and attesting the corporate seal of said Town by themselves
as such Mayor and Register, respectively.

WITNESS my hand and Notarial Seal at office in Collierville,
Tennessee, this 13th day of April, 1982.

Mary Lee Burley
Notary Public

My Commission Expires:

8-23-82

STATE OF NEW YORK

COUNTY OF ONONDAGA

Before me, Karen A. Daniels, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared Stephen P. Munn and Karen A. Arthur, with both of whom I am personally acquainted and who, upon their oaths, acknowledged themselves to be a Vice President and Secretary, respectively, of Carrier Corporation, one of the within named bargainors, and that they as such Vice President and Secretary, being authorized so to do, executed the foregoing instrument (Addendum to Lease) for the purposes therein contained, by subscribing thereunto the corporate name of said corporation and by affixing thereto and attesting the corporate seal of said corporation by themselves as such Vice President and Asst. Secretary, respectively.

WITNESS my hand and Notarial Seal at office in Syracuse, N.Y., this 1st day of April, 1982.

Karen A. Daniels
Notary Public

My Commission Expires:

March 30, 1983

KAREN A. DANIELS
Notary Public in the State of New York
Qualified in Onondaga County No. 4741289
My Commission Expires March 30, 1983

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule A

Description of Industrial Building Site:

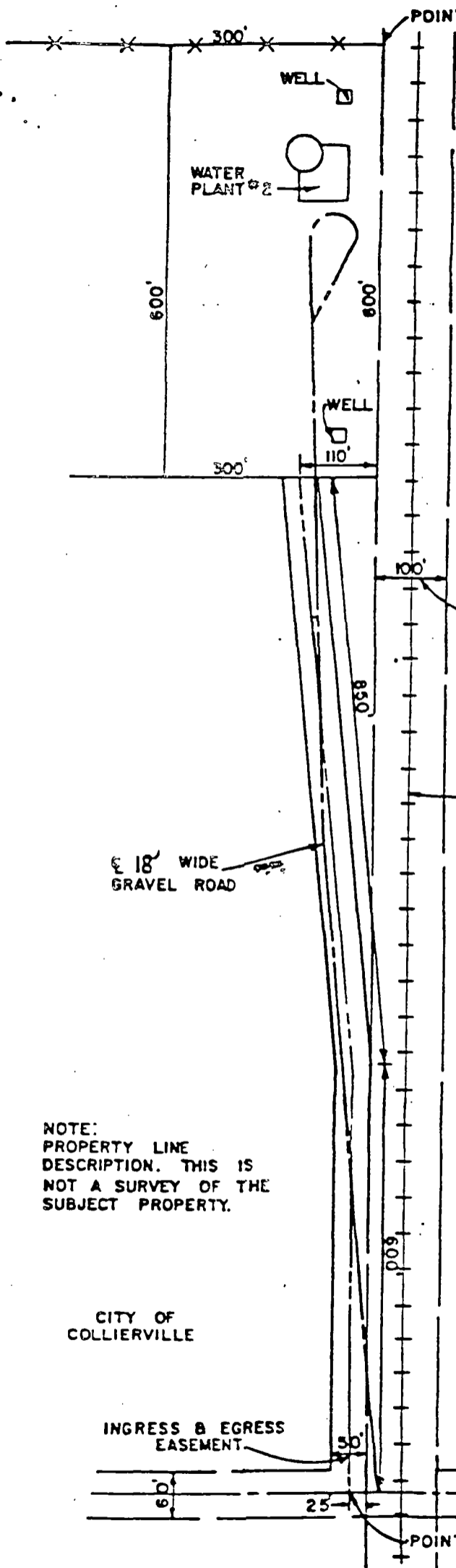
Located at the southwest corner of Southern Railway and
Byhalia Road, Collierville, Shelby County, Tennessee, and more
particularly described as follows:

Beginning at the intersection of the south line of the
Southern Railway Company's 50 foot right-of-way and the
center line of Byhalia Road, and running thence on a Magnetic
Bearing of South 4 degrees 20 minutes East with the center
line of Byhalia Road 2,535.73 feet to the center line of
the bridge over Nonconnah Creek; thence continuing with the
center line of Byhalia Road South 3 degrees 55 minutes East
978.03 feet to the intersection with the center line of Camp
Road; thence South 85 degrees 39 minutes West with the center
line of Camp Road a measured distance of 1,094.48 feet to a con-
crete monument at an interior corner of the Luther Matthews
89.26 acre tract; thence North 4 degrees 22 minutes West with
Matthew's east line 1,401.51 feet to a concrete monument at
Matthew's northeast corner; thence South 85 degrees 38 minutes
30 seconds West with Matthew's north line a measured distance
of 923.50 feet to a concrete monument at Matthew's northwest
corner, said monument being in the east line of the 78.45
acre tract conveyed from Robert B. Snowden to Dealers Tractor
& Equipment Company by deed of record in Book 4952, page 330,
Shelby County Register's Office; thence North 4 degrees 19
minutes 30 seconds West with the east line of said 78.45 acre
tract 2,405.43 feet to a concrete monument in the south line of
the Southern Railway Company's 50 foot right-of-way; thence
south 86 degrees 07 minutes east along the south line of the
Southern Railway Company's 50 foot right-of-way 2,046.5 feet
to the point of beginning, together with all right, title
and interest of the Lessor in and to the Southern Railway
Company's right-of-way lying south of the center line thereof
and located along the north line of the above described property.

SCHEDULE I

The real property described herein together with the appurtenances, hereditaments and improvements thereto.

DEALERS TRACTOR & EQUIPMENT COMPANY



POINT OF BEGINNING: PROPERTY LINE DESCRIPTION

Copy 1 of An
Original and 4 Copies

Centerline description of a 50 foot ingress and egress easement.

Beginning at a point in the centerline of Byhalia Road, said point being 25 feet south of the south R.O.W. line of the Southern Railroad; thence westwardly parallel with said south R.O.W. line a distance of 600 feet to an angle point; thence westwardly a distance of 850 feet more or less to a point 600 feet east of the east property line of the Dealers Tractor and Equipment Co. property and 110 feet south of the south R.O.W. of the Southern Railroad.

The fifty (50) feet ingress and egress lies 25 feet on either side of the above described line.

SOUTHERN RAILROAD
RIGHT-OF-WAY

SOUTHERN RAILROAD

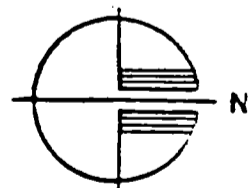
18' WIDE
GRAVEL ROAD

Property line description of part of the City of Collierville property in Collierville, Shelby County, Tennessee.

Beginning at the point of intersection of the east line of the Dealer Tractor and Equipment Company property and the south line of the Southern Railroad R.O.W., said point being located approximately 2063.16 feet westwardly from the center line of Byhalia Road; thence eastwardly along said south line a distance of 600 feet to a point; thence southwardly parallel to said east line a distance of 300 feet to a point; thence westwardly parallel to said south line a distance of 600 feet to a point in said east line; thence northwardly along said east line a distance of 300 feet to the point of beginning and containing 4.1 acres of land more or less.

NOTE:
PROPERTY LINE
DESCRIPTION. THIS IS
NOT A SURVEY OF THE
SUBJECT PROPERTY.

CITY OF
COLLIERVILLE



INGRESS & EGRESS
EASEMENT

BYHALIA ROAD

POINT OF BEGINNING: INGRESS AND EGRESS EASEMENT



Gregory - Grace
AND ASSOCIATES INCORPORATED

ENGINEERING PLANNING ARCHITECTURE LANDSCAPE ARCHITECTURE
3000 S. Main Street, Suite 200, Memphis, Tennessee 38111-2000
MEMPHIS, TENNESSEE 38111

H. W. Cox, Jr., Mayor

Martin Newby, Vice Mayor

John E. Meeks, Registrar

H. Tom Brooks, Alderman

Jack Everett, Alderman

Robert H. Humphreys, Alderman

Fred Medling, Treasurer



JAY R. JOHNSON
CITY ADMINISTRATOR
MARY LEE BURLEY
CITY CLERK

Town of Collierville
COLLIERVILLE, TENNESSEE 38017

May 4, 1983

Mr. Tom Brown
Carrier Corporation
97 S. Byhalia Road
Collierville, Tennessee 38017

RE: Lease Agreement

Dear Tom:

Per our telephone conversation, please find enclosed two (2) copies of an executed lease agreement regarding the water plant property located adjacent to the Carrier Corporation. Please forward to the appropriate officials.

Also, please find enclosed a check in the amount of \$1.00 per the agreement.

If you have any questions on this matter, please give me a call.

Very truly yours,

Jay R. Johnson
City Administrator

JRJ/nk

THIS INDENTURE OF LEASE made and entered into as of this first day of March, 1967, by and between the town incorporated as "MAYOR AND ALDERMEN OF COLLIERVILLE, TENNESSEE" ("Lessor"), a municipal corporation situated in Shelby County, Tennessee, and CARRIER CORPORATION ("Lessee"), a corporation organized under and existing by virtue of the laws of the State of Delaware with its principal office in Syracuse, New York, and duly qualified and authorized to engage in business in the State of Tennessee;

W I T N E S S E T H:

That the Lessor does hereby lease to the Lessee and the Lessee hereby rents from the Lessor upon the terms and conditions hereinafter set forth the tract of land described in Schedule A attached hereto and made a part hereof by reference, together with the industrial building to be constructed thereon and all easement and appurtenances thereunto belonging and in anywise appertaining, together with certain machinery and equipment to be purchased and installed by the Lessor in said industrial building, which machinery and equipment is described in Schedule B attached hereto and made a part hereof by reference. Said leased land, industrial building and equipment is hereinafter sometimes called "the leased premises."

The terms and conditions of this lease are as follows:

Section 1. Industrial Building to be Constructed. Lessor agrees to issue and sell \$5,000,000 principal amount of its Municipal Industrial Building Revenue Bonds, Series 1967 (Carrier) ("the Bonds"), dated March 1, 1967, to be secured by and to contain such terms and conditions as are set forth in that certain Indenture of Mortgage and Deed of Trust ("the Indenture") dated as of March 1, 1967, between Lessor and First American National Bank of Nashville, Nashville, Tennessee, as Trustee, a copy of which has been delivered to the Lessee. From the proceeds thereof Lessor shall construct an

~~Draft of 3/22/67~~
This instrument prepared by:
Chapman and Cutler
111 W. Monroe St.
Chicago, Ill.

appointment and qualifications, and his autograph signature. Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

industrial building on the leased land for the use and occupancy of Lessee and install therein the machinery and equipment described in Schedule B, heretofore approved by the parties, and which are by reference hereby made a part of this Section 1. It is understood that said plans and specifications are neither complete nor final, and that the Lessee may make such additions to or changes in said plans and specifications as it deems necessary, if such additions or changes shall have approval by the Lessor and the Trustee, which approval shall not be unreasonably withheld, Lessor shall proceed with the construction of the industrial building and the acquisition and installation of said machinery and equipment as expeditiously as practicable so that Lessee may obtain full possession of the leased premises at the earliest practicable date. No contracts for the construction of the industrial building or the purchase of machinery and equipment shall be let by the Lessor without the prior written consent of the Lessee.

Upon the completion of such industrial building and the payment of all expenses therefor payable from the proceeds of the Bonds, any surplus of such bond proceeds shall be held and disbursed by the Trustee as provided in the Indenture. Expenses payable from the proceeds of the Bonds shall include cost of land acquisition, site preparation, architectural and engineering fees, construction of the industrial building, cost and installation of painting and enameling equipment, and legal, administrative and financing expenses, Trustee's fees and all other cost or expense related thereto.

The Lessee agrees that in the event the cost of such acquisition and construction exceeds the amount derived from the sale of the Bonds it will pay all costs in excess of such amount.

Section 2. Fixtures. The Lessee may during the progress of such construction, or at any time or times during the terms of this lease, install or commence the installation of any machinery, equipment or fixtures in addition to that to be installed by the

Lessor, to such extent as the Lessee may deem desirable, and the Lessee may also remove any machinery, equipment or fixtures so installed by it, provided, however, that such installation or removal shall not in any way damage such building unless the Lessee shall promptly repair such damage. Neither such installation nor the removal shall be construed as an acceptance of the building or any part thereof by the Lessee.

The Lessee may at all times and from time to time upon written notice to the Lessor and the Trustee sell or otherwise dispose of any machinery or equipment installed in the industrial building by the Lessor and described in Schedule B when the same shall become obsolete, worn-out or unnecessary for the purposes of the Lessee; provided that the book value before deducting depreciation of all the indentured property remaining after such removal (and taking into account replacements, if any) shall be at least equal to the principal amount of the Bonds then outstanding under the Indenture, less moneys in the hands of the Trustee and available for the payment of principal of the Bonds, and the disposal of such property will not interfere with the operation of or impair the use of the indentured property; and provided further, that the proceeds of any such sale or disposition of property shall either be applied by the Lessee to the purchase of machinery, equipment and apparatus to replace that so sold or otherwise disposed of to at least the then same current value (the determination of value by the Lessee to be regarded prima facie the then current value of such machinery, equipment or apparatus so sold or otherwise disposed of) or said proceeds to the extent not so used, so long as any of the Bonds are outstanding and unpaid, shall be paid to the Trustee under the Indenture and disbursed as therein provided, but in no event need the amount of such proceeds paid to the Trustee exceed the amount of all unpaid installments of basic rental as hereinafter defined. The title to all such replacement machinery, equipment and apparatus shall be vested in the Lessor.

Any property paid for and installed by the Lessee to replace machinery, equipment or apparatus originally paid for and installed by the Lessee shall be the property of the Lessee and may be removed by the Lessee as heretofore in this Section 2 provided. Not later than January 1 of each year during the original term hereof, the Lessee shall furnish the Trustee under the Indenture with a written statement identifying all property of the Lessor sold or otherwise disposed of during the preceding fiscal year of the Lessee ending October 31, and the manner of disposition and the price received therefor, and further identifying any replacement machinery, equipment or apparatus and the price paid therefor. Each such statement shall be accompanied by an opinion by counsel for the Lessee to the effect that such replacement machinery, equipment or apparatus is subject to the lien of the Indenture and is otherwise unencumbered.

Section 3. Term. The original term of this lease shall begin on the date first above written and shall continue for a period ending February 28, 1987, unless sooner terminated as herein-after provided.

Upon the expiration of the original term, this lease may be renewed or extended at the option of the Lessee for eight (8) additional five (5) year terms at an annual rental of \$100.00, payable on or before March 1 of each year during such term, unless and until notice be given in writing by the Lessee at least 30 days before the end of the original term of this lease, or any renewal or extension thereof, of its intention to terminate the lease at the end of such period, in which event the lease shall terminate in accordance with such notice.

All provisions of this lease shall apply during such renewal term or terms except that when all of the Bonds shall have been retired, the rights and duties of the Trustee under the Indenture shall cease, Sections 2, 6 and 10 herein shall not apply, and

the Lessee, upon payment to the Lessor of any delinquent rent or other payments due hereunder, shall have the sole right to any insurance proceeds or condemnation award without obligation to restore or rebuild.

Section 4. Rental. The basic rental to be paid by Lessee during the original term of this lease shall be composed of certain payments to be made by Lessee to the Trustee under the Indenture, which payments are referred to herein as "basic rental."

During the original term of this lease Lessee binds itself to pay to the Trustee or successor trustee for the account of Lessor basic rental for the periods, in the amounts and at the times set forth in Schedule C to this lease.

Any accrued interest received upon the sale of the Bonds and deposited in the Sinking Fund created by the Indenture and all earnings from investment of the Sinking Fund by the Trustee shall be applied by the Trustee and credited to the Lessee as partial payment of the next succeeding basic rental payment due hereunder.

All unpaid installments of basic rental due hereunder may at the option of the Lessee be paid in whole or in part in advance of the payment dates herein, provided, if the leased premises or any part thereof shall at any time during the term hereof have been damaged or destroyed or shall have been taken or condemned by any competent public authority to such an extent that such leased premises shall have been, in the sole judgment of the Lessee, thereby rendered unsuitable for economic usage thereof by the Lessee, the provisions of Section 11 shall apply.

The term "all unpaid installments of basic rental" for the purposes of this lease shall mean an amount equal to the entire principal amount of the then outstanding Bonds, together with all applicable redemption premiums and interest accrued and to accrue on and prior to the next succeeding date on which such Bonds can

be called for redemption, but deducting from such amount the aggregate amounts then on deposit in the Sinking Fund and money on deposit in the Construction Fund (to the extent that the money in such fund has not theretofore been committed for construction purposes) created by the Indenture (including earnings resulting from investment of the Sinking Fund by the Trustee); provided, that

(a) No redemption premium shall be applicable if Lessee elects to pay in advance all unpaid installments of basic rental in lieu of its obligation to repair, restore, re-equip or reconstruct as provided in Section 11; and

(b) In the event Lessee shall exercise its option to purchase pursuant to Section 19, the sole applicable redemption premium (expressed as a percentile of the principal amount of the Bonds to be called for redemption) shall be as follows:

September 1, 1967 to September 1, 1971 - 5%
 September 2, 1971 to September 1, 1976 - 4%
 September 2, 1976 to September 1, 1979 - 3%
 September 2, 1979 to September 1, 1982 - 2%
 September 2, 1982 to September 1, 1985 - 1%
 September 2, 1985 and thereafter - 0%

Section 5. Possession. The Lessor agrees to place the Lessee in full possession of the leased premises immediately upon the completion of the said industrial building or earlier by mutual agreement, but the payment of basic rentals hereunder by the Lessee shall nevertheless commence at the time hereinbefore set forth.

Section 6. Use of Premises. Insofar as it is practicable under existing conditions the leased premises shall be used substantially for manufacturing operations and shall not be used alone for warehousing, as it is one of the purposes of this lease that

the operation of the leased premises by the Lessee will provide employment for a substantial number of persons. The Lessor agrees that such uses are and will continue to be lawful uses under all applicable zoning laws and regulations. The Lessee agrees that in the operation of the industrial building it will at all times comply with all applicable sanitary and safety laws, rules and regulations, will commit no nuisance upon the leased premises and will permit no nuisance to be committed thereon by others. It shall not be a breach of this section hereof if the Lessee fails to comply with such laws, rules and regulations during any period in which the Lessee shall in good faith be contesting the validity of such laws, rules and regulations. The Lessee further agrees that it will not cause the title of the Lessor to be encumbered other than by the execution and delivery of this lease.

Section 7. Insurance. The Lessee agrees to keep the industrial building upon the leased land and the machinery and equipment leased hereunder insured against loss or damage by fire, wind-storm, hail, explosion, riots, civil commotion, aircraft, vehicles, smoke, malicious mischief, vandalism and such other casualties and events as may from time to time be covered under uniform extended coverage, in such amount or amounts and in such form that the proceeds of such insurance in the event of the total destruction of said building, machinery and equipment will equal 100% of the insurable value of the leased premises; and the Lessee agrees to pay the premiums on such insurance and to keep such insurance in full force and effect during the entire term of this lease. All insurance policies shall have standard mortgage clauses attached, payable to the Trustee or its successor trustee under the Indenture, as the interest of such Trustee or successor trustee may appear; and all such insurance shall be in companies satisfactory to said Trustee or successor trustee and authorized to transact business in the

-7-

appointment and qualifications, and the laws of the State of New York to administer oaths and Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

I have hereunto set my hand and affixed my official seal this 29th

State of Tennessee. Such insurance money, if any, received by the Trustee shall be disbursed in accordance with the provisions of this lease and the Indenture. Duplicate copies or certificates of each policy of insurance shall be furnished to the Lessor and the Trustee for their records and complete lists of all insurance policies then in force setting forth the names of the companies, and the character, amount and expiration of each policy shall be deposited by the Lessee with the Lessor and the Trustee on or before March 1 of each year.

Lessee shall have the right to insure under separate policies, in such amounts as it may determine, all machinery, equipment, furniture or other personal property owned by Lessee and located in the industrial building, and the proceeds of any such insurance shall be payable solely to Lessee.

Section 8. Repair, Trustee's Fees, and Taxes. The Lessee agrees that during the term of this lease it will keep the leased premises in good repair at its sole cost, will pay all fees of the Trustee under the Indenture, and will pay all taxes lawfully levied against the leased premises, and upon the expiration or termination of this lease or any extension or renewal hereof it will surrender the leased premises unto the Lessor in as good condition as prevailed at the time it was put in full possession thereof, ordinary wear and tear and the events described in Section 11 hereof excepted. To the extent that it may lawfully do so, the Lessor covenants that it will not levy any taxes against the leased premises during the original or any renewal term hereof.

Section 9. Additional Buildings. The Lessee shall have the privilege of erecting any additional building or buildings and of remodeling the buildings or improvements on the leased premises from time to time as it may determine in its discretion to be desirable for its uses and purposes, provided that such remodeling shall not damage the basic structure of the industrial building or

appointment and qualifications, and the laws of the State of New York to administer oaths and Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

Nashville, Tennessee
March 30, 1947

Mr. Walter Lee,
c/o The Carrier Corporation,
Syracuse, New York.

Dear Mr. Lee:

This is to advise you that I am familiar with the mortgagee's policy of title insurance issued by the Commerce Title Guaranty Company of Memphis, Tennessee.

In my opinion, the Mayor and Aldermen of Collierville, Tennessee, are vested with good and marketable title under the mortgagee's policy of title insurance No. 103,897 issued by the above named Company under date of March 30, 1947.

Respectfully,

W. L. Walker
W. L. Walker

...and enjoyment of the leased premises during the entire
term of this lease.

materially decrease its value, with no obligation to restore or return the premises to their original condition, but the cost of such new building or buildings and improvements and remodeling shall be paid for by it, and upon the expiration or termination of this lease or any extension or renewal hereof said new building or buildings or improvements shall belong to and be the property of the Lessor, subject, however, to the right of the Lessee to remove from the leased premises at any time before the expiration or termination of this lease and while it is in good standing with reference to the payment of basic rental and performance of its other obligations hereunder, all machinery, fixtures, equipment and appliances placed in or upon the leased premises by the Lessee (other than replacements of machinery and equipment covered by the lien of the Indenture), but the Lessee shall promptly repair any damage to the industrial building caused by such removal.

The Lessee shall also have the privilege at its own expense to make any alterations to the industrial building that it may deem necessary or advisable, with no obligation to restore the industrial building or return it to its original condition, provided that such alterations shall not damage the basic structure of the industrial building or materially decrease its value.

Section 10. Quiet Possession. The Lessor covenants and agrees that it has good and marketable title in fee simple to the leased premises; that the same are unencumbered and will remain unencumbered except by this lease, the Indenture and the exceptions enumerated in the opinion of title dated March 30, 1967 by Abe D. Waldauer, Attorney of Memphis, Tennessee; and that it will keep the Lessee in quiet and peaceable possession and enjoyment of the leased premises during the entire term of this lease.

-9-

appointment and qualifications, and as a Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

I have hereunto set my hand and affixed my official seal this 29 th

Section 11. Damage to or Destruction or Condemnation of

the Premises. In the event of damage to or destruction of the leased premises or the taking or condemnation of the leased premises in whole or in part by any competent authority for any public or quasi-public use or purpose, the parties agree that they will pay over or cause to be paid over to the Trustee, promptly when collected or received, any insurance proceeds and the entire amount of the award or compensation or damages recovered on account of each and every such taking or condemnation, less any expenses, including counsel fees, incurred by Lessor and Lessee in litigating, arbitrating, compromising or settling any claim arising out of such condemnation, and it is further agreed that there shall be no abatement or reduction in the rent payable by the Lessee except as herein expressly provided, and the Lessee shall repair, re-equip, restore or reconstruct the industrial building in a manner suitable for its needs as it may elect, but the building so repaired, restored or reconstructed and the machinery and equipment replaced, shall be equal to the depreciated value of the same at the time of such damage, destruction or condemnation, provided, the Lessee shall not be required to expend more than the amount of the insurance proceeds or the condemnation award. Notwithstanding the foregoing, any award or compensation or damages to Lessee by reason of its leasehold interest in the leased premises (including any compensation for moving expenses) are recognized to be property of Lessee and shall be retained by Lessee. Any money received as proceeds of any insurance carried upon the industrial building or the net proceeds of any award or compensation for the damages recovered on account of such taking or condemnation shall be paid to the Lessee in the manner provided in the Indenture in order that the Lessee may promptly repair, re-equip, restore or reconstruct the industrial building to meet its current needs, and in such case any net proceeds of insurance or



appointment and qualifications, and his autograph deposited in my office, and believe that the signature is genuine.

condemnation award in excess of the cost and expense of such repair, restoration, re-equipment or reconstruction shall be disbursed as provided in the Indenture. In lieu of the obligation of the Lessee to repair, re-equip, restore or reconstruct the industrial building the Lessee may pay in advance all unpaid installments of basic rental due hereunder as provided in Section 4 hereof, and if such advance rental payment shall be in the amount required by Section 4, the Lessee shall not be required to repair, re-equip, restore or reconstruct such building, and if Lessee has paid Lessor all other sums due and owing under the provisions of this lease, this lease shall at the option of the Lessee cease and determine.

Section 12. The Lessor and the Lessee agree to cooperate and consult with each other in all matters pertaining to the settlement or adjustment of any claim or demand for damages on account of any taking or condemnation of the leased premises or any part thereof. The Lessor covenants and agrees, to the extent that it may lawfully do so, that it will not, during the term of this lease and any renewal or extension thereof, condemn or attempt to condemn the leased premises or any part thereof.

Section 13. The Lessee covenants that at all times it will protect and hold the Lessor harmless against claims for losses, damage or injury, including death of or injury to the person or damage to the property of others resulting from any wrongful or negligent act or default of the Lessee, its agents, servants or employees, in, on or about the leased premises, including sidewalks and driveways thereof, or for any other violations by Lessee of the terms of this lease; and it is understood and agreed that the Lessor shall not be liable for any damage or injury to the persons or property of the Lessee or its agents, servants or employees or any other person who may be upon the leased premises due to any act or negligence of any person other than the employees, servants or agents of



appointment and qualifications, and his autograph signature. I, _____, Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

the Lessor, nor for damage caused by fire, water, steam, gas, snow, sewage, electric current or by the breaking, leaking or destruction of pipes or by any explosion; and that all personal property brought upon the leased premises by the Lessee, its servants, agents or employees shall be at the sole risk of the Lessee or its agents, servants or employees and the Lessor shall not be liable for any damage thereto or destruction thereof.

Section 14. No Abatement of Basic Rental. Except as herein expressly provided in Section 11, this lease shall not terminate or be affected in any manner by reason of the condemnation, destruction or damage in whole or in part of the leased premises, or by reason of the unusability of the leased premises or any portion thereof, or by reason of the fact that the industrial building to be provided by the Lessor shall not for any cause have been completed in whole or in part or by reason of the sale of a portion of the leased premises to the Lessee; and the basic rental reserved in this lease shall be paid to the Trustee in accordance with the terms, covenants and conditions of this lease without abatement, diminution or reduction.

Section 15. Default by Lessee. The Lessee shall be in default under this lease if one or more of the following events shall occur:

(a) The Lessee shall default in the payment of any of the rentals provided to be paid hereunder and such default shall continue for 10 days;

(b) The Lessee shall default in the observance or performance of any other covenant, condition, agreement or provision hereof and which shall not be remedied within 90 days after notice of such default by the Lessor to the Lessee specifying wherein Lessee has failed to perform any such covenant, condition, agreement or provision;

appointment and qualifications, and his autograph signature of the Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

(c) The Lessee shall become insolvent or bankrupt or shall admit in writing its inability to pay its debts as they shall mature, or shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of a trustee or receiver for the Lessee, or for a major part of its property;

(d) A trustee or receiver shall have been appointed for the Lessee or for a major part of its property and shall not be discharged within 60 days after such appointment, excluding any period in which such appointment shall be stayed upon appeal or otherwise;

(e) Sixty days shall have expired after the entry by a court of competent jurisdiction of an order approving a petition seeking reorganization, readjustment, arrangement, composition or other similar relief as to the Lessee under the Federal bankruptcy laws or any similar law for the relief of debtors, but such period of 60 days shall not include any period during which such order shall be stayed upon appeal or otherwise.

In the event of default by the Lessee as provided above, then in any such case the Lessor may at its option exercise any one or more of the following remedies:

(a) Lessor may terminate this lease by giving Lessee notice of Lessor's intention so to do, in which event the term of this lease or any renewal or extension thereof shall end, and all right, title and interest of Lessee hereunder shall expire on the date stated in such notice;

(b) Lessor may terminate the right of Lessee to possession of the leased premises by giving notice to Lessee that Lessee's right of possession shall end on the date stated in such notice, whereupon the right of Lessee to the possession of the leased premises or any part thereof shall cease on the date stated in such notice;



(c) Lessor may enforce the provisions of this lease and may enforce and protect the right of Lessor hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy.

If Lessor exercises either of the remedies provided for in subparagraphs (a) and (b) above, Lessor may then or at any time thereafter reenter and take complete and peaceful possession of the leased premises, with or without process of law, and may remove all persons therefrom, and Lessee covenants that in any such event it will peacefully and quietly yield up and surrender the leased premises to Lessor.

If Lessor terminates the right of possession as provided in subparagraph (b) above, Lessor may reenter the leased premises and take possession of all thereof and shall exert its best efforts to sublet or relet the leased premises or any part thereof from time to time for all or any part of the unexpired part of the then term hereof, or for a longer period, and Lessor shall collect the rents from such reletting or subletting, and apply the same, first, to the payment of the expense of reentry and reletting, and, secondly, to the rentals herein provided to be paid by Lessee, and in the event that the proceeds of such reletting or subletting are not sufficient to pay in full the foregoing, Lessee shall remain and be liable therefor, and Lessee promises and agrees to pay the amount of any such deficiency from time to time, and Lessor may at any time and from time to time sue and recover judgment for any such deficiency or deficiencies.

In the event of the termination of this lease by Lessor as provided for by subparagraph (a) above, Lessor shall be entitled to recover from Lessee all the unpaid installments of basic rental accrued and unpaid for the period up to and including such

-14-

appointment and qualifications, and the Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this 29th

termination date, as well as all other additional sums payable by Lessee, or for which Lessee is liable or in respect of which Lessee under any of the provisions hereof has agreed to indemnify Lessor, which may be then owing and unpaid (but not including installments of rent falling due after such termination date), and all costs and expenses, including court costs and reasonable attorneys' fees incurred by Lessor in the enforcement of its rights and remedies hereunder.

Section 16. Force Majeure. In case by reason of Force Majeure either party hereto shall be rendered unable wholly or in part to carry out its obligations under this lease, other than the obligations of the Lessee to make the rental payments required under the terms hereof, then if such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice, other than the obligation of the Lessee to pay basic rental, so far as they are affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure", as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or the State of Tennessee or the State of New York or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, transmission pipes or canals, partial or entire failure of utilities, or any other cause not reasonably within the control of the party claiming such



appointment and qualifications, and the Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

inability. It is understood and agreed that the settlement of strike and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such course is unfavorable in the judgment of the party having the difficulty.

Section 17. Remedies of Lessor. The Lessee agrees that the rights and remedies of the Lessor under this lease shall be cumulative and shall not exclude any other rights and remedies of the Lessor allowed by law, and the failure to insist upon a strict performance of any of the covenants or agreements herein set forth or to declare a forfeiture for any violation thereof shall not be considered or taken as a waiver or relinquishment for the future of the Lessor's rights to insist upon a strict compliance by the Lessee with all the covenants and conditions hereof, or of the Lessor's right to declare a forfeiture for a violation of any covenant or condition if such violation be continued or repeated.

Section 18. Assignment and Subletting. The Lessee may assign this lease, or sublet the whole or any part of the leased premises, without the consent of the Lessor, provided, however, that notwithstanding such assignment or subletting, the Lessee shall nevertheless remain primarily liable for the payment of basic rental and performance of the other obligations of the Lessee hereunder.

In the event the Lessee (a) shall merge or consolidate with any other corporation or (b) transfer all or substantially all of its business and assets to another corporation, which in any such case succeeds to all or substantially all of the business and assets of the Lessee, such successor corporation shall succeed to and be substituted for the Lessee with the same effect as if it had

been named herein as the Lessee.

Section 19. Lessee's Option to Purchase Entire Leased Premises. As part of the consideration for the execution of this lease by the Lessee, the Lessor hereby gives the Lessee, while the Lessee is in good standing with reference to all obligations hereunder, the exclusive option at any time during the original term or any renewal or extension thereof to purchase the entire leased premises for a sum equal to all unpaid installments of basic rental, if any, as defined in Section 4 hereof, plus \$100.00. The Lessee may exercise such option while it is in good standing by giving the Lessor at least 60 days written notice in advance of the date on which the Lessee elects to close such purchase and by tendering to the Trustee or successor trustee under the Indenture a certified check or checks of the Lessee drawn to the order of the Lessor for the total purchase price (or if there shall be no unpaid installments of basic rental due at the time of the exercise of such option, by tendering such check or checks to the Lessor).

In the event this option shall be exercised, the Lessor shall convey to the Lessee (a) good and marketable title in fee simple to the leased land, industrial building and all improvements and appurtenances thereunto pertaining, free and clear of all encumbrances whatsoever except those in existence on the date of this lease and those caused by Lessee and (b) by bill of sale with customary warranties good title to the Schedule B machinery and equipment leased hereunder, free and clear of all encumbrances whatsoever.

Section 20. Release of Portion of Leased Land. In the event that any portion of the industrial building site shall be released from the lien of the Indenture in accordance with the

provisions thereof, the description of land herein leased appearing in Schedule A attached hereto shall be amended so as to exclude that portion of the leased land so released.

Section 21. Additional Financing. When requested in writing by Lessee so to do, Lessor will use its best efforts to sell and issue additional bonds under the provisions of the Industrial Building Revenue Bond Act of 1951 and secured by the Indenture for the purpose of constructing additional buildings or additions or improvements (including equipment) to the industrial building or buildings on the leased land or completing the same or for enlarging the industrial building site. Such additional bonds may be issued from time to time but not exceeding the aggregate principal amount of \$5,000,000, and only to the extent that Lessor and Lessee shall have entered into an amendment to this lease providing rentals at least sufficient to pay principal of and interest on all bonds then outstanding and proposed to be issued and to the extent that the restrictive provisions of Section 5.11 of the Indenture have been complied with. Such amendment to this lease shall effect no changes to this lease other than to provide adequate rentals to pay such outstanding Bonds and proposed bonds, and to extend the original term and other provisions hereof to the extent necessary to pay such outstanding Bonds and proposed bonds. Providing the foregoing conditions of this Section 21 are complied with by the parties hereto, Lessor and Lessee each agree to enter into such an amendment to this lease. The proceeds of such additional bonds shall be used by Lessor for the purposes for which such bonds shall have been issued, all in accordance with plans and specifications agreed upon by Lessor and Lessee.

Section 22. Notices. All notices from either party shall be in writing and sent by registered or certified mail, return receipt requested, or delivered during business hours to Lessor at the City Hall, Collierville, Tennessee, Attention Mayor, or if

appointment and qualifications, and his autograph signature. Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

intended for Lessee, then to Lessee at the office of its General Counsel, **Carrier** Parkway, Syracuse, New York 13201, or to such other address for either of the aforesaid parties as such party may hereafter indicate by written notice to the party to give notice.

Section 23. This Indenture of Lease may be simultaneously executed and delivered in any number of counterparts, any of which when so executed and delivered, shall be deemed to be an original; but such counterparts together shall constitute but one and the same instrument.

Section 24. Severability. In the event that any section, paragraph, or provision of this lease shall be held to be invalid, such invalidity shall not affect the validity or enforceability of the remaining provisions of this lease.

IN TESTIMONY WHEREOF, Town of Collierville, Shelby County, Tennessee, acting through its Board of Mayor and Aldermen, has executed this Indenture of Lease by causing its name to be hereunto subscribed by its Mayor, and its official seal to be impressed hereon, and attested by its Register; and Carrier Corporation has executed this Indenture of Lease by causing its corporate name to be hereunto subscribed by its President and its corporate seal to be impressed hereon and attested by its Secretary, pursuant to a resolution duly adopted by its Board of Directors, all being done as of the year and day first above written.

TOWN OF COLLIERVILLE

By

Mayor

(SEAL)

Attest:

Register

CARRIER CORPORATION

By

President

(SEAL)

Attest:

Secretary

-19-

appointment and qualifications, and his autograph signature, have been duly deposited in my office, and believe that the signature is genuine.

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule A

Description of Industrial Building Site:

Located at the southwest corner of Southern Railway and
Byhalia Road, Collierville, Shelby County, Tennessee, and more
particularly described as follows:

Beginning at the intersection of the south line of the
Southern Railway Company's 50 foot right-of-way and the
center line of Byhalia Road, and running thence on a Magnetic
Bearing of South 4 degrees 20 minutes East with the center
line of Byhalia Road 2,535.73 feet to the center line of
the bridge over Nonconnah Creek; thence continuing with the
center line of Byhalia Road South 3 degrees 55 minutes East
978.03 feet to the intersection with the center line of Camp
Road; thence South 85 degrees 39 minutes West with the center
line of Camp Road a measured distance of 1,094.48 feet to a con-
crete monument at an interior corner of the Luther Matthews
89.26 acre tract; thence North 4 degrees 22 minutes West with
Matthew's east line 1,401.51 feet to a concrete monument at
Matthew's northeast corner; thence South 85 degrees 38 minutes
30 seconds West with Matthew's north line a measured distance
of 923.50 feet to a concrete monument at Matthew's northwest
corner, said monument being in the east line of the 78.45
acre tract conveyed from Robert B. Snowden to Dealers Tractor
& Equipment Company by deed of record in Book 4952, page 330,
Shelby County Register's Office; thence North 4 degrees 19
minutes 30 seconds West with the east line of said 78.45 acre
tract 2,405.43 feet to a concrete monument in the south line of
the Southern Railway Company's 50 foot right-of-way; thence
south 86 degrees 07 minutes east along the south line of the
Southern Railway Company's 50 foot right-of-way 2,046.5 feet
to the point of beginning, together with all right, title
and interest of the Lessor in and to the Southern Railway
Company's right-of-way lying south of the center line thereof
and located along the north line of the above described property.

appointment and qualifications, and his autograph signature, have been duly
Notary Public he was duly authorized by the laws of the State of New York to administer oaths and
affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney
and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded
in this State, to protest notes and to take and certify affidavits and depositions; and that I am well
acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed
instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule B

Description of Machinery and Equipment

The following items of Machinery and Equipment manufactured
by Ferro Corporation of Cleveland, Ohio:

Counter-Flow Radiant Tube Continuous Furnace
Furnace Partition Wall
Furnace Conveyor
Single Pass Dryer
Monel Metal Pickle Baskets
Mixing Tank
Dissolver
Mixer and Scale
Shell Laydown Conveyor
Pickle Room Exhaust System
Ground Coat Enamel Delivery System
Pickle Basket Dollies
Automatic Spray Machines
Spray Booths
Mill Room Equipment
Dip Tank Hoist
Furnace Alloy Tools
Cooling Tunnel
Spray Equipment
Pickle Tanks and Dryer

The following items manufactured by Mechanical Handling
Systems, Inc. of Detroit, Michigan:

Power and Free Conveyor System with Carriers
Four 4" I Monoveyors
One Junior Monoveyor

The following items manufactured by Young & Bertke Co.
of Cincinnati, Ohio:

Two two-pass washers
Four line dryers
Seven paint booths
Roof Mounted Bake Oven
Roof mounted Air make-up Systems for paint room, enamel
plant and pickle room
Water Heater Tank Washer

The following item manufactured by Loudon Machinery
Company of Fairfield, Iowa:

Pickle Room Selectomatic Conveyor System

The following additional item:

Paint Pump Room and Paint Circulating System

appointment and qualifications, and his autograph signature, that I am
Notary Public he was duly authorized by the laws of the State of New York to administer oaths and
affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney
and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded
in this State, to protest notes and to take and certify affidavits and depositions; and that I am well
acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed
instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

Indenture of Lease dated
as of March 1, 1967 between Collierville,
Tennessee and Carrier Corporation

Schedule C - Basic Rentals

<u>Date</u>	<u>Basic Rental</u>
8/15/67	\$129,500.00
2/15/68	379,500.00
8/15/68	123,250.00
2/15/69	373,250.00
8/15/69	117,000.00
2/15/70	367,000.00
8/15/70	110,750.00
2/15/71	360,750.00
8/15/71	104,375.00
2/15/72	354,375.00
8/15/72	98,000.00
2/15/73	348,000.00
8/15/73	91,625.00
2/15/74	341,625.00
8/15/74	85,125.00
2/15/75	335,125.00
8/15/75	78,625.00
2/15/76	328,625.00
8/15/76	72,125.00
2/15/77	322,125.00
8/15/77	65,625.00
2/15/78	315,625.00
8/15/78	59,062.50
2/15/79	309,062.50
8/15/79	52,500.00
2/15/80	302,500.00
8/15/80	45,937.50
2/15/81	295,937.50
8/15/81	39,375.00
2/15/82	289,375.00
8/15/82	32,812.50
2/15/83	282,812.50
8/15/83	26,250.00
2/15/84	276,250.00
8/15/84	19,687.50
2/15/85	269,687.50
8/15/85	13,125.00
2/15/86	263,125.00
8/15/86	6,562.50
2/15/87	256,562.50

appointment and qualifications, and his autograph signature, have been duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

STATE OF TENNESSEE)
COUNTY OF Davidson)

Before me, John E. Sparks, a Notary Public
regularly elected, commissioned, qualified and acting in and for the
State and County aforesaid, personally appeared A. G. Neville, Jr.
and James Russell, with both of whom I am personally acquainted, and
who, upon their oaths, acknowledged themselves to be the Mayor and
Register, respectively, of the Town of Collierville, Shelby County,
Tennessee, one of the within named bargainors, and that they, as such
Mayor and Register, being authorized so to do, executed the foregoing
instrument (INDENTURE OF LEASE) for the purposes contained therein,
by subscribing thereto the name of said town and by affixing thereto
and attesting the official seal of said town by themselves as such
Mayor and Register, respectively.

My commission as such Notary Public expires _____
_____, 19____. My Commission Expires May 1, 1967

WITNESS my hand and notarial seal at office in Nashville,
_____, Tennessee, this 30th day of March, 1967.

John E. Sparks
Notary Public



appointment and qualifications, and his autograph signature, have been filed in my office, and I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

STATE OF NEW YORK
COUNTY OF ONONDAGA }

BOOK 99 PAGE 24

Before me, Barbara A. Clark, a Notary Public duly elected, commissioned, qualified, and acting in and for the state and county aforesaid, personally appeared CLARENCE E. TORREY and JAMES H. GREENE, with both of whom I am personally acquainted and who, upon their oaths, acknowledged themselves to be a Vice President and an Assistant Secretary, respectively, of Carrier Corporation, Syracuse, New York, the within named Lessee, and one of the within named bargainors, and that they, as such Vice President and Assistant Secretary, being authorized so to do, executed the foregoing instrument (INDENTURE OF LEASE) for the purposes therein contained, by subscribing thereunto the corporate name of said corporation and by affixing thereto and attesting the corporate seal of said corporation by themselves as such Vice President and Assistant Secretary, respectively.

My commission as such Notary Public expires March 30, 1968.

WITNESS my hand and seal at office in Syracuse, New York, this 29th day of March, 1967.

Barbara A. Clark
Notary Public

(S E A L)

BARBARA A. CLARK
Notary Public in the State of New York
Qualified in Onon. Co. No. 34-5704425
My Commission Expires March 30, 1968

STATE OF NEW YORK, COUNTY OF ONONDAGA, ss.:

I, WALTER E. LANSING, County Clerk and Clerk of the Supreme Court and County Court, Onondaga County, a Court of Recording having by law a seal, DO HEREBY CERTIFY that

Barbara A. Clark whose name is subscribed to the deposition, certificate of acknowledgment or proof of the annexed instrument, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of his appointment and qualifications, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proofs of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

29